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THE SOUTHERN EGG MARKETING PROGRAM, 1944

SOUTHERN REGION

by

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## INTRODUCTION

The purpose of this report is to present information in regard to the manner the 1944 shell egg purchase programs operated, their effectiveness, administrative difficulties encountered and recommendations for overcoming such difficulties. A careful study of such information should give those concerned with egg marketing a better understanding, not only of the administration of the programs, but also their influence and possibilities. Comments from those who study this report would be greatly appreciated.

Since this report was prepared for administrative use only, permission to publish any part of it should be obtained from the person in charge of the Southern Field Office of the Dairy and Poultry Branch located in Atlanta, Georgia.

The success of the operation of shell egg purchase programs in the Southern Region this year indicates possibilities of cooperation from various State and Federal agencies interested in marketing eggs. At this time, we wish to acknowledge the outstanding contribution of the Extension Service, Colleges of Agriculture, and State Departments of Agriculture, from a number of the southeastern states, toward making support prices available to farmers of their respective states through these price support programs. We also wish to acknowledge the very helpful cooperation received from various divisions within the Office of Distribution which includes state and area offices, the Market Reports Division, Program Development, Civilian Food Requirements Division, Shipping and Storage Division, Fiscal Division, and from representatives of the Washington office of the grading and inspection service. These various divisions also aided substantially in the preparation of data and information incorporated in this report.

To insure success, each of the agencies and divisions should assume their full responsibility for the various phases of the program. Necessity for this cooperation is comparable to the spark plugs of an engine. Working together they provide power to accomplish objectives for which the support program was designed to meet. If one is missing, or does not function properly, others find themselves trying to overcome this weakness; however, generally the effectiveness of the programs is reduced proportionately. The over-all picture of cooperation from the groups mentioned above is very good. Experience has demonstrated the groups from each state who cooperate and shoulder responsibility most readily and their degree of success. This experience will prove invaluable toward bringing about better programs should egg marketing emergencies occur in the future.

MEMORANDUM

The purpose of this report is to present information in regard to the progress of the work of the various divisions of the Department of Agriculture during the year 1917. The report is divided into two parts, the first of which contains a general statement of the work of the Department as a whole, and the second of which contains a detailed statement of the work of each of the divisions. The report is intended to be a summary of the work of the Department, and is not intended to be a detailed statement of the work of each of the divisions.

It is the policy of the Department to publish this report annually, and it is the policy of the Department to publish this report in the form of a book, and to make it available to the public. The report is published by the Government Printing Office, and is sold at a price of 10 cents per copy.

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## CONTRACTS

State and Area Supervisors provided leadership for the Office of Distribution in contacting egg dealers, discussing with them provisions of the 1944 shell egg purchase program, and obtaining contracts with them under which their eggs could be sold to this office at support prices, plus a fixed handling fee. Therefore, they contacted produce houses, hatcheries, feed stores, grocery stores, marketing cooperatives, state produce markets and other types of firms involved in marketing eggs in the South, and were successful in obtaining contracts with a high percentage of such firms. Some were visited personally by a representative of OD, and others signed contracts as a result of correspondence with WFA personnel.

Many contracts were signed by individuals and firms who found it impossible to operate under provisions of their contracts. Some had no grading facilities nor was their proximity to a licensed inspector such that would permit them to have their eggs inspected without excessive expense.

TABLE NO. 1 Country Buyer and Centralized Shipper Contracts Signed

Centralized Shipper	State	Country Buyer
16	Alabama	125
0	Florida	37
8	Georgia	46
31	Kentucky	75
7	Mississippi	41
2	North Carolina	9
15	South Carolina	158
10	Tennessee	59
13	Virginia	43
Total 102		593

Although 593 country buyer and 102 centralized shipper contracts were signed this year, only 119 country buyer and 52 centralized shipper contracts were used by dealers who sold eggs to the Office of Distribution under the Southern Region Shell Egg Purchase Program.

TABLE NO. 2 Contracts Used or "Active Contractors"

State	Country Buyer	Centralized Shipper
Alabama	12	6
Florida	22	0
Georgia	7	4
Kentucky	0	7
Mississippi	3	3
North Carolina	4	1

# CONTACTS

State and area supervisors provided leadership for the Office of Distribution in contacting egg dealers, discussing with them provisions of the 1944 shell egg purchase program, and obtaining contracts with them under which their eggs could be sold to this office at support prices, plus a fixed handling fee. Therefore, they contacted grocers, houses, hatcheries, feed stores, grocery stores, marketing cooperatives, state produce markets and other types of firms involved in marketing eggs in the South, and were successful in obtaining contracts with a high percentage of such firms. Some were visited personally by a representative of OD, and others signed contracts as a result of correspondence with TVA personnel.

Many contracts were signed by individuals and firms who found it impossible to operate under provisions of their contracts. Some had no grading facilities nor was their proximity to a licensed inspector such that would permit them to have their eggs inspected without excessive expense.

TABLE NO. 1 Country Buyer and Centralized Shipper Contracts Signed

Country Buyer	State	Centralized Shipper
125	Alabama	15
37	Florida	0
48	Georgia	6
75	Kentucky	31
41	Mississippi	7
9	North Carolina	2
155	South Carolina	15
59	Tennessee	10
48	Virginia	15
598		107

Although 598 country buyer and 107 centralized shipper contracts were signed this year, only 119 country buyer and 82 centralized shipper contracts were used by dealers who sold eggs to the Office of Distribution under the Southern Region Shell Egg Purchase Program.

TABLE NO. 2 Contracts Used as "Active Contracts"

Country Buyer	State	Centralized Shipper
12	Alabama	8
23	Florida	0
7	Georgia	4
0	Kentucky	7
3	Mississippi	3
4	North Carolina	1



South Carolina	14	9
Tennessee	0	2
Virginia	5	10
Total	67	42

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Since each centralized shipper also used a country buyer contract, the number of centralized shipper contracts should be added to the total number of country buyer contracts to get an accurate picture of all contracts that were actually used. At this point it would appear logical to raise such questions as, "Why were not more of the contracts signed used? Were not all of them needed to support egg prices?"

Perhaps only in a few places were market prices above support levels. The Miami area is the only outstanding example of this in the South. Therefore, this point would be eliminated as a principal reason of a contractor being inactive. During April and May, Area Supervisors visited each of the dealers with whom contracts had been signed. The real purpose of these visits was to determine whether or not the dealer understood and was complying with the contract. However, during the interview, if he had not sold eggs, and market prices in his area were below support levels, he was asked why he had not found it possible to participate in the support program. A careful study made of a sample consisting of 194 answers to this question revealed 32 percent did not operate because they had no grader or grading facilities, 30 percent stated simply that they found it more convenient to sell through established commercial channels, 14 percent of the country buyers, from whom we made no direct purchases, sold their eggs as current receipts to centralized shippers, and 11 percent of them sold their eggs to dealers so they could secure cases on an exchange basis.

The four factors given above indicate the importance of the problems encountered in the operation of the Southern Egg Marketing Program, and clearly indicate why direct purchases were not made from approximately 87 percent of the inactive group. Other factors of lesser importance were: dealers hesitated to operate because undergrades were excluded from purchases; some believed the inspection service to be unsatisfactory; Army and Navy purchases alleviated a surplus problem; too much "red tape;" and some dealers felt the eggs they handled were definitely of inferior quality and should therefore move into the market as current receipts.

Each of these points or reasons for inactivity will be discussed later in this report under the appropriate topic. Some of them actually existed only in the mind of the dealer, others would require in some cases considerable initiative to overcome. Until these problems are discussed more at length later, please keep in mind that we would have had a unique marketing program indeed if it could have operated without meeting some difficulties, but the manner these difficulties or problems were met is far more important than the mere fact they were encountered.

Some state personnel obtained contracts with dealers knowing at the time they would be unable to operate under the program. It was their belief

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that a large number of contracts would serve as an insurance policy for dealers. If the market price of eggs in their locality dropped below support prices, then they would be in a better position to meet competition from dealers who were paying support prices, although they understood it would first be necessary for them to establish grading facilities before selling the eggs to the WFA. A large number of contracts were signed in South Carolina with this thought in mind, and unquestionably the psychological reaction of dealers to such a plan had some effect on maintaining higher prices in that state, although its actual effect upon prices the producers received for eggs is impossible to measure in a practical way.

The area and state supervisors faced a difficult task when they first contacted egg dealers in regard to the support price program. Egg prices were well above support price levels, and a great deal of criticism was directed toward this program because of the low prices that had been announced. Many dealers felt the program was not and would not be needed to assure the producer a fair return for his eggs. They did not foresee the chaotic market conditions just ahead, and consequently when the unprecedented egg surplus developed, many of them were found trying to meet this problem on a "business as usual" basis, and refused to buy eggs from producers because they had "all they could handle." Later on in the season, when the magnitude of the surplus became clearly apparent, we received very few complaints on low support prices.

#### Recommendations

1. In view of the reorganization of the Office of Distribution, state personnel will not be available next year to negotiate contracts with dealers. The problem can be met only with a larger staff in the Regional Dairy and Poultry Field Office to work very closely with the Extension Service, AAA, and state marketing agencies to insure an adequate distribution of contracts and maintain support prices in all states.

2. The location of contractors in each state should be given careful study before the approach of the spring surplus production.

3. Contracts should be signed by December first at the latest. This would give contractors an opportunity to secure and train graders before the period of heavy egg production.

4. Contracts should not be signed with dealers unless those dealers can comply with the contract. In other words, they should have inspection service available, grading facilities, and a limited number of the graders needed.

4. Eggs sold to the Office of Distribution on consumer grades should also be purchased from the farmer on the same basis. This would put the graded program on a more firm foundation as far as the farmer is concerned, because it would offer a greater inducement to produce quality eggs since he would receive a premium for them.

6. Recommendations found under other topics in this report should be carefully considered and many of them incorporated in the contract.





## PURCHASES

From the standpoint of purchases, the Southern Region Consumer Grade Program made an outstanding growth during the past year. In 1943 a total of 18,546 cases of eggs were purchased under this program, whereas to July 1, 1944, 262,166 cases had been purchased. Therefore, under the 1944 program fourteen times as many eggs were purchased this year as were purchased under a similar program last year.

It is surprising to note from graphs shown on pages 11 through 20 that purchases on consumer grades did not decrease to any marked extent when the current receipt program was inaugurated. This can be accounted for in part by the fact that both the producer and dealer received more favorable prices under the consumer grade program than under the current receipt program, and that they had previously employed grading personnel and arranged for grading facilities. After interviewing a number of dealers who purchased consumer grade eggs, we were assured they believed this program to be more sound than the one based on current receipts.

On page 21 you will find a chart that will show the location by counties of contractors who were active in the 1941 consumer grade program and from whom purchases were actually made. From the chart you may gain a clear conception of the geographical location and distribution of active contractors in all areas. It will appear that there should have been more to adequately support the price of eggs.

In working with the egg program this year we have thought of contractors as individual business firms. The successful coordinated efforts of these individual firms will result in solutions to specific marketing problems which have been our objectives. Of course, maintaining support prices to producers has been our primary objective, but the contractor is necessarily the one through which the Office of Distribution can reach the producer. In order that you may picture the operations of the individual contractor we offer two examples.

### Farmers Federation Cooperative, Asheville, North Carolina      April 17, 1944

This cooperative, as a result of their participation in the Ten-Case Egg Program this year, has taken another step forward in the development of a better egg marketing system in seventeen western North Carolina counties. They purchased a very substantial percentage of the eggs sold in this territory, produced during the late winter and early spring months, from producers at Government support prices. Under a program developed by their organization, flock owners were paid a premium for quality eggs.

Eggs purchased by months and grades from this firm by the Office of Distribution are as follows:

Month	Total Cases	Large			Medium	
		A	B	C	A	B
February	916	540	134	40	202	
March	1700	1227	241		232	
April 1-14	1805	680	247	623	255	
Total	4421	2447	622	663	689	

RESULTS

From the standpoint of production, the Southern Region continues to be the main source of supply for the market. In 1943, it produced 1,444,000 eggs, or 10% more than in 1942. The total production of the Southern Region for the year ended July 1, 1944, was 1,444,000 eggs, or 10% more than in 1943. The total production of the Southern Region for the year ended July 1, 1944, was 1,444,000 eggs, or 10% more than in 1943.

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In addition to the egg production, the Southern Region continues to be the main source of supply for the market. In 1943, it produced 1,444,000 eggs, or 10% more than in 1942. The total production of the Southern Region for the year ended July 1, 1944, was 1,444,000 eggs, or 10% more than in 1943. The total production of the Southern Region for the year ended July 1, 1944, was 1,444,000 eggs, or 10% more than in 1943.

Summary of Production, Southern Region, July 1, 1944

This summary is a result of the production in the Southern Region. In 1943, it produced 1,444,000 eggs, or 10% more than in 1942. The total production of the Southern Region for the year ended July 1, 1944, was 1,444,000 eggs, or 10% more than in 1943. The total production of the Southern Region for the year ended July 1, 1944, was 1,444,000 eggs, or 10% more than in 1943.

Egg production by month and grade from the time of the first of the year to the end of the year is as follows:

Month	Total Eggs	A	B	C	D	Grade
January	216	240	174	40	93	216
March	1100	1227	811		236	1100
April 1-11	1203	642	247	123	233	1203
Total	1421	2409	632	663	262	1421



This firm buys current receipt eggs from their membership at warehouses, in seventeen counties, that serve as buying points. At present their current receipt price to the producer is 27 cents per dozen. The management of each warehouse is given a one and a half cent commission for assembling the eggs. Trucks operating from headquarters transport eggs from these warehouses to egg departments of this firm in Asheville. One truck used for this purpose is of the semi-trailer type and has a maximum capacity of 500 cases.

Upon reaching the Egg Grading Department of the cooperative in Asheville, the eggs are graded according to consumer grades. This function is performed by a staff of thirty graders working in three shifts - two of which operate during the day and the other at night. The speed and efficiency of these graders will vary considerably, and although one lady consistently grades 29 cases per day the average is approximately 10 cases per day. Mr. Joseph Higdon, Office Manager for this firm, stated the cost of grading is less than one cent per dozen. They employ a full time licensed inspector, and since her services are readily available, the inspection phase of their program has worked smoothly and without delay.

All producers are paid a cash current receipt price, at the present time, of 27 cents per dozen at a branch warehouse, or 28 cents per dozen in Asheville. Cases containing each producer's eggs are marked in such a way as to establish their identity. As the graders grade the eggs, they record the number of dozen in each grade from each producer. Then at the end of the year they are issued stock equal in value to the increased price resulting from the production of quality eggs. This plan, according to Farmers Federation Cooperative officials, has resulted in an increased interest in the production and marketing of good eggs. They also promote an education program to enable their members to achieve these objectives. Results they claim are definitely encouraging.

Edible eggs grading C, or small, were sold to an egg dryer at 30 cents per dozen during March. Purchases by this office during that month were composed of 72 percent A large, 14 percent B large, and 14 percent B medium. Data are not available as to the percentage of undergrades that were sold, but it is reasonable to believe that producers will receive an average of 1 to 2 cents per dozen in stock in addition to the established current receipt price. Those who sold eggs of the best quality would, as previously explained, receive the greater proportion of the next profit.

Egg cases used by this cooperative have been purchased largely from nearby army camps. At no time this season have their operations been adversely affected by shortage of cases..

Officials of this organization expressed their appreciation for the opportunity to participate in the 10-Case Egg Program. They were firm in their belief that in western North Carolina it had been primarily responsible for holding egg prices received by producers at support levels. Through advertising in local papers, and in other ways, they have given publicity to the fact that they are assisting farmers to receive at least the announced support prices. At each of their buying stations price announcements from this office are posted where they can be readily observed by producers. They have made it possible for pro-

This firm buys current receipt eggs from their membership of warehouses, in seventeen counties, that serve as buying points. It presents their current receipt price to the producer is 27 cents per dozen. The amount of each warehouse is given a one and a half cent commission for handling the eggs. Trucks operating from headquarters transport eggs from these warehouses to egg departments of this firm in Asheville. One stock used for this purpose is of the semi-trailer type and has a maximum capacity of 500 cases.

From receiving the egg grading Department of the cooperative in Asheville, the eggs are graded according to summer grades. This function is performed by a staff of thirty graders working in three shifts - two of which operate during the day and the other at night. The speed and efficiency of the graders will vary considerably, and although one day consists entirely grades 29 cents per dozen the average is approximately 10 cases per day. Mr. J. C. Hildon, Office Manager for this firm, stated the cost of grading is less than one cent per dozen. They employ a full time inspector, and also for services are readily available, the in perfect phase of this program has worked smoothly and without delay.

All producers are paid a cash current receipt price, at the present time, of 27 cents per dozen at a branch warehouse, or 28 cents per dozen in Asheville. Cases containing each producer's eggs are marked in such way as to establish their identity. As the graders grade the eggs they record the number of dozen in each grade from each producer. Then at the end of the year they are issued stock equal in value to the amount of cases received from the production of quality eggs. This plan, according to the Extension Cooperative officials, has resulted in an increased interest in the production and marketing of good eggs. They also provide an education program to enable their members to achieve these objectives. Results they claim are definitely encouraging.

Quality eggs grading 0, or small, were sold to an egg buyer at 30 cents per dozen during March. Purchases by this office during that month were composed of 72 percent A large, 14 percent B large, and 14 percent C medium. Data are not available as to the percentage of undergrades that were sold, but it is reasonable to believe that producers will receive an average of 1 to 2 cents per dozen in addition to the established current receipt price. Those who sold eggs of the best quality would previously explained, receive the greater proportion of the new market.

But what is this cooperative? How has it been organized largely from money very small. At the time this essay these conditions have been relatively unchanged in the past.

Officials of this organization are aware of their responsibility for the organization to participate in the 10-Case Egg Program. The first in their effort that in western North Carolina it had been entirely responsible for holding egg prices received by producers at a level. Through working in local groups, and in other ways, they have given publicity to the fact that they are assisting farmers to receive at least the announced current price. At each of their public relations price announcements from this office are posted where they can be readily observed by producers. They have made it possible for pro-



ducers who market eggs of better quality to receive an increased return. They believe in the support program and are proud of its accomplishments. For them and for the flock owners they have served, it has worked successfully.

Jerry Moore Poultry Co., Lexington, Kentucky

April 15, 1944

Surplus eggs have been purchased in Fayette and Scott Counties, Kentucky by this firm since early February. A substantial percentage of such eggs were later offered to the Office of Distribution under the Ten-Case Egg Program.

Actual offers to WFA by grades from this contractor are as follows:

<u>Month</u>	<u>Total Cases</u>	<u>Grades (Cases)</u>			
		<u>A Large</u>	<u>B Large</u>	<u>C Large</u>	<u>A Medium</u>
February	167	124	2		41
March	1391	931	3	194	263
April (1-14)	871	489	5	229	148
Total	2429	1544	10	423	452

Since Jerry Moore is the only contractor operating under the support program in central Kentucky, our purchases from this source have decidedly increased as farm flock production increased.

The following information was obtained during an interview with this contractor April 11, 1944.

Eggs have not been sold upon the basis of consumer grades by central Kentucky flock owners prior to the time this support program was initiated. Mr. Moore reported that very few farmers during February desired to sell eggs by grade, but April purchases indicate approximately 75 percent of the eggs sold by producers to this contractor were purchased on a grade basis. The percentage was also reported to be steadily increasing.

Since April 1, Jerry Moore has been paying 26 cents per dozen for eggs purchased as current receipts. A summary of data taken from records of this contractor revealed that during the first week in April, 50 percent of the eggs purchased have graded A large, 14 percent A medium, 21 percent A large, and 15 percent undergrades. Eggs sold by producers on the basis of grade at support levels for A and C large and A medium plus the current selling price of undergrades @ 24 cents per dozen would result in a current receipt (rots out) price of 28.7 cents per dozen.

A portion of the second floor of Mr. Moore's produce house is used for grading. There he employs eight women who grade an average of eight cases each per day. They receive an hourly wage rate of 30 cents per hour; therefore, the grading cost amounts to one cent per dozen.

because the market is better qualified to receive an increased volume of eggs in the support price and the fact of its economic importance for them and for the stock owners they have secured it in a limited and essential.

Deer Creek Poultry Co., Lexington, Kentucky April 12, 1944

Quarrels are now being conducted in Lexington and other counties, Kentucky by this firm since early February, a substantial percentage of such eggs were later offered to the Office of Distribution under the War-Cover Egg Program.

Actual offers to WFO by various firms this contractor are as follows:

Month	Total Cases	A Eggs	B Eggs	C Eggs	A Eggs
February	187	124	5	5	5
March	1791	321	5	194	283
April 1-14	871	489	5	329	158
Total	2429	934	10	528	481

Green Eggs Farm is the only commercial operator under the support program in central Kentucky, and purchases from this source in a relatively limited amount as from other production sources.

The following information was obtained during an interview with this contractor April 11, 1944.

Eggs have not been sold under the basis of constant grades by normal Kentucky stock owners prior to the time that support program was initiated. Mrs. Moore reported that very few farmers during February and April to sell eggs by grade, but April purchases indicate approximately 75 percent of the eggs sold by producers to this contractor were graded on a grade basis. The eggs were also reported to be specially incubated.

From April 1, Mrs. Moore has been paying 50 cents per dozen for eggs graded on a constant basis. A summary of data from her records of this contractor revealed that during the first week in April, 50 percent of the eggs purchased were graded A large, 15 percent A medium, 15 percent A large, and 15 percent ungraded. Eggs sold by producers on the basis of grade at support levels for A and B large and medium give the current selling price of ungraded eggs 24 cents per dozen would result in a constant market (fats out) price of 28.7 cents per dozen.

A portion of the second floor of Mr. Moore's produce house is used for grading. There he employs eight women who work on a variety of eggs each day. They received hourly wage rate of 30 cents per hour. Moore's grading cost amounts to one cent per dozen.



When producers desire to sell their eggs on a grade basis, such eggs are graded and paid for the same day they were offered.

Producers seem well pleased by the prices and grading service offered by this contractor as indicated by the increased number who are selling him their eggs, and by the fact they continue to market their eggs at this source. To meet competition other Lexington produce dealers pay a current receipt price comparable to that being paid by this contractor. Some who were disinterested in our support program in January are now making plans for active participation in this program.

At the present time this contractor is buying eggs from two Country Buyer contractors in Georgetown, Kentucky. These eggs are purchased from producers and sold to Jerry Moore Poultry Company on an ungraded basis; however, the current receipt price paid to producers by the Georgetown country buyers was 26 cents per dozen.

In visualizing the possibility for expansion of his activities as a Centralized Shipper, Mr. Moore seemed anxious that Country Buyer Contractors from whom he purchased eggs not only sell their eggs to him graded, but also purchase them from producers on the basis of consumer grades. He expressed a willingness to assist them train graders. This plan, if put into operation, would not only result in a better average price to producers, especially those who sell quality eggs, but would bring a significant change toward development of a better egg marketing system in central Kentucky.

Difficulties encountered by Jerry Moore Poultry Company in the operation of the Ten-Case Egg Program are typical of those many of our contractors have faced. Sometimes egg cases were scarce, but he secured quantities to enable him to continue his business. Inexperienced egg graders were trained. Even inexperienced graders were not easy to find due to shortage of labor. Undergrades were sometimes difficult to sell, but to date most of them have been sold retail @ 24 cents per dozen. The hardest problems in marketing eggs under this program have been successfully met to date by Mr. Moore. Even though egg production has been substantially increased in central Kentucky, surplus eggs have been moved at support prices through an improved marketing system developed by this contractor.

By advertising in the local daily paper and by radio announcements three times weekly, Mr. Moore has informed poultrymen of the grading service he offers and prices he will pay on each grade. He is interested in the development of a better egg marketing system in Lexington and surrounding towns. He has given excellent cooperation on the Ten-Case Egg Program, believes in it, and has operated it successfully in his town.

A very clear picture of purchases made in the Southern Region this year under the consumer grade program can be gained by consulting the graphs on pages 11 through 20 giving purchases by bi-weekly periods. However, we would like to discuss briefly some of the outstanding points that appear on each state chart.





Alabama - More contractors from this state were needed to handle surplus eggs on a graded basis, and at the same time support the price during the period of heaviest production. Our purchases did increase, however, during the period lowest prices prevailed over the state. From the chart on page 11 a clear picture of areas in this state from which eggs were purchased can be gained. At least producers located in trade areas of these contractors received support prices for eggs they sold. Since January 1, we received a number of reports as to the inferior quality of a high percentage of eggs sold in this state.

Florida - As indicated by the graph on page 12 our largest purchases were made during the bi-weekly period ending March 11. During the year, since support prices were maintained in rural areas of Florida, some eggs moved from surrounding states, Alabama in particular, into Florida markets due to the high price level prevailing. Therefore, some of the eggs we purchased should have moved to large consumer centers in Florida rather than to us as surplus eggs. If the price support program had been 100% effective in surrounding states, the surplus eggs would have moved directly to the War Food Administration from these states rather than to Florida markets. From the graph it will be noted that the volume of egg purchases increased very rapidly from February 12 to March 11, in comparison to the decrease in volume of purchases after this date. A major factor contributing to the success of the purchase program in Florida was the ready availability of the inspection service.

Georgia - Purchases in Georgia were made largely from Centralized Shippers. As a result the average size of each offer was larger than in the majority of other states. The period of largest purchases was reached around April 8. The surplus, it appears, did not subside a great deal until June and it is believed that more surplus eggs would have been purchased in the state had more grading facilities and a more widespread inspection service been available.

Kentucky - Except for two contractors in Eastern Kentucky, surplus eggs were purchased in the central part of the state. As indicated by the chart showing the location of inspectors, there is only one portion of the state in which contractors could operate because of high inspection costs in other areas. When egg prices reached their lowest point in the state April 1, not all contractors who participated in this program had started operating. Last year Kentucky did not participate in the Southern Egg Marketing Program, and it is believed that experience contractors and poultry leaders in the state have gained from the operation of the program this year will serve as a good foundation upon which a better program for purchasing surplus eggs can be built another year.

Mississippi - Cooperative organizations lead in purchasing surplus eggs in this state. They were limited in number, and their grading facilities were inadequate to handle all surplus eggs that were on the market throughout the state in March and April. However, by the time the current receipt program was announced in April, production was declining in the state and purchases on consumer grades alone appeared to be adequate to maintain a reasonable price level, keeping in mind that the quality of Mississippi eggs deteriorates to a large extent late in the season.

Aluminum - This substance is a light metal, and is one of the most important of the light metals. It is found in the form of bauxite, and is used in the manufacture of aluminum. It is a very strong metal, and is used in the manufacture of aircraft. It is also used in the manufacture of other light metals, such as magnesium and zinc.

Platinum - As indicated by the name, platinum is a very heavy metal. It is found in the form of platinum, and is used in the manufacture of platinum. It is a very strong metal, and is used in the manufacture of aircraft. It is also used in the manufacture of other light metals, such as magnesium and zinc.

Mercury - This is a very heavy metal, and is found in the form of mercury. It is used in the manufacture of mercury, and is also used in the manufacture of other light metals, such as magnesium and zinc.

Lead - This is a very heavy metal, and is found in the form of lead. It is used in the manufacture of lead, and is also used in the manufacture of other light metals, such as magnesium and zinc.

Antimony - This is a very heavy metal, and is found in the form of antimony. It is used in the manufacture of antimony, and is also used in the manufacture of other light metals, such as magnesium and zinc.



North Carolina - Here purchases did not reach their peak until May 21. From February 12 on through to June 12, although the variation on volume of purchases from April 8 to June 3 was very small, and prices remained at a 27 cent level rather consistently.

South Carolina - The volume of purchases in this state reached their peak April 1. It is interesting to note the size of each offer in this state is very small in comparison to all others which indicates purchases were handled through small dealers.

Tennessee - Due to a lack of proper cooperation, purchases in this state that were made on a consumer grade basis were negligible. A detailed account of this situation will be found under the discussion of the current receipt program.

Virginia - Purchases in this state exceeded those of any other state in the Region. Offers were made largely in carlots, since most of the offers were received from Centralized Shippers who purchased eggs from a number of country buying points.

TABLE NO. 3      Classification of Offers in Southern Region by Sizes

State	Ala.	Fla.	Ga.	Ky.	Miss.	N. C.	S. C.	Tenn.	Va.	Total
Cases										
10 - 25	20	23	10	3	12	0	63	1	1	133
26 - 50	17	43	7	4	8	7	36	1	9	132
51 - 100	16	74	21	20	7	19	39	0	37	233
101 - 200	6	76	19	30	13	14	30	4	51	243
201 - 300	1	30	18	14	6	14	8	0	29	120
301 - 400	3	19	10	10	6	8	2	0	19	77
401 - 500	1	8	4	4	3	3	0	0	10	33
501 - 600	0	15	10	10	1	4	1	0	77	118
601 - 1200	0	3	15	15	1	8	1	0	21	64
Over 1200	0	0	2	2	0	2	0	0	1	7
Total	64	291	116	112	57	79	180	6	255	1160

#### RECOMMENDATIONS

Since recommendations made under other topics included in this report will directly influence purchases, any discussion on them here appears to be unnecessary and a duplication of information.

North Carolina - More purchases did not reach their peak until May 21, 1945, however, it is through the month of April that the greatest volume of purchases was made, and this is reflected in the data for that month.

South Carolina - The volume of purchases in this state reached their peak in April. It is interesting to note the size of each offer in this state is very small in comparison to all other states which included purchases.

Tennessee - Due to a lack of proper organization, purchases in this state were made on a constant basis with no regularity. A detailed account of this situation will be found under the discussion of the Tennessee buying program.

Virginia - Purchases in this state exceeded those of any other state in the region. Offers were made largely in October, since most of the offers were received from Governmental buyers who purchased eggs from a number of country buying points.

TABLE NO. 7 Classification of Offers in Southern Region by State

Offers	Ala.	Fla.	Ga.	Ms.	N. C.	S. C.	Tenn.	Va.	Total
100 - 150	0	0	0	0	0	0	0	0	0
50 - 100	0	0	0	0	0	0	0	0	0
25 - 50	0	0	0	0	0	0	0	0	0
10 - 25	0	0	0	0	0	0	0	0	0
5 - 10	0	0	0	0	0	0	0	0	0
2 - 5	0	0	0	0	0	0	0	0	0
1 - 2	0	0	0	0	0	0	0	0	0
0 - 1	0	0	0	0	0	0	0	0	0
Total	0	0	0	0	0	0	0	0	0

REMARKS

Since recommendations were made under other topics included in this report, all directly related matters, and discussion on these topics will be unnecessary and a repetition of information.



TABLE NO. 4 Total Number of Cases Purchased in Each State

STATE	Number of Cases
Alabama	4,742
Florida	48,843
Georgia	38,001
Kentucky	22,678
Mississippi	9,353
North Carolina	23,699
South Carolina	13,009
Tennessee	683
Virginia	101,158
TOTAL	262,166

TABLE NO. 5 Total Number of Offers Received from Each State

STATE	NUMBER OF OFFERS
Alabama	62
Florida	288
Georgia	115
Kentucky	99
Mississippi	57
North Carolina	79
South Carolina	180
Tennessee	6
Virginia	252
TOTAL	1,138

TABLE NO. 1. Total Number of Cases Reported in Each State

State	Number of Cases
Alabama	1,715
Arkansas	10,000
California	25,000
Colorado	25,000
Connecticut	5,000
Delaware	10,000
District of Columbia	10,000
Florida	10,000
Georgia	10,000
Idaho	10,000
Illinois	10,000
Indiana	10,000
Iowa	10,000
Kansas	10,000
Kentucky	10,000
Louisiana	10,000
Maine	10,000
Maryland	10,000
Massachusetts	10,000
Michigan	10,000
Minnesota	10,000
Mississippi	10,000
Missouri	10,000
Montana	10,000
Nebraska	10,000
Nevada	10,000
New Hampshire	10,000
New Jersey	10,000
New Mexico	10,000
New York	10,000
North Carolina	10,000
North Dakota	10,000
Ohio	10,000
Oklahoma	10,000
Oregon	10,000
Pennsylvania	10,000
Rhode Island	10,000
South Carolina	10,000
South Dakota	10,000
Tennessee	10,000
Texas	10,000
Vermont	10,000
Virginia	10,000
Washington	10,000
West Virginia	10,000
Wisconsin	10,000
Wyoming	10,000
Total	100,000

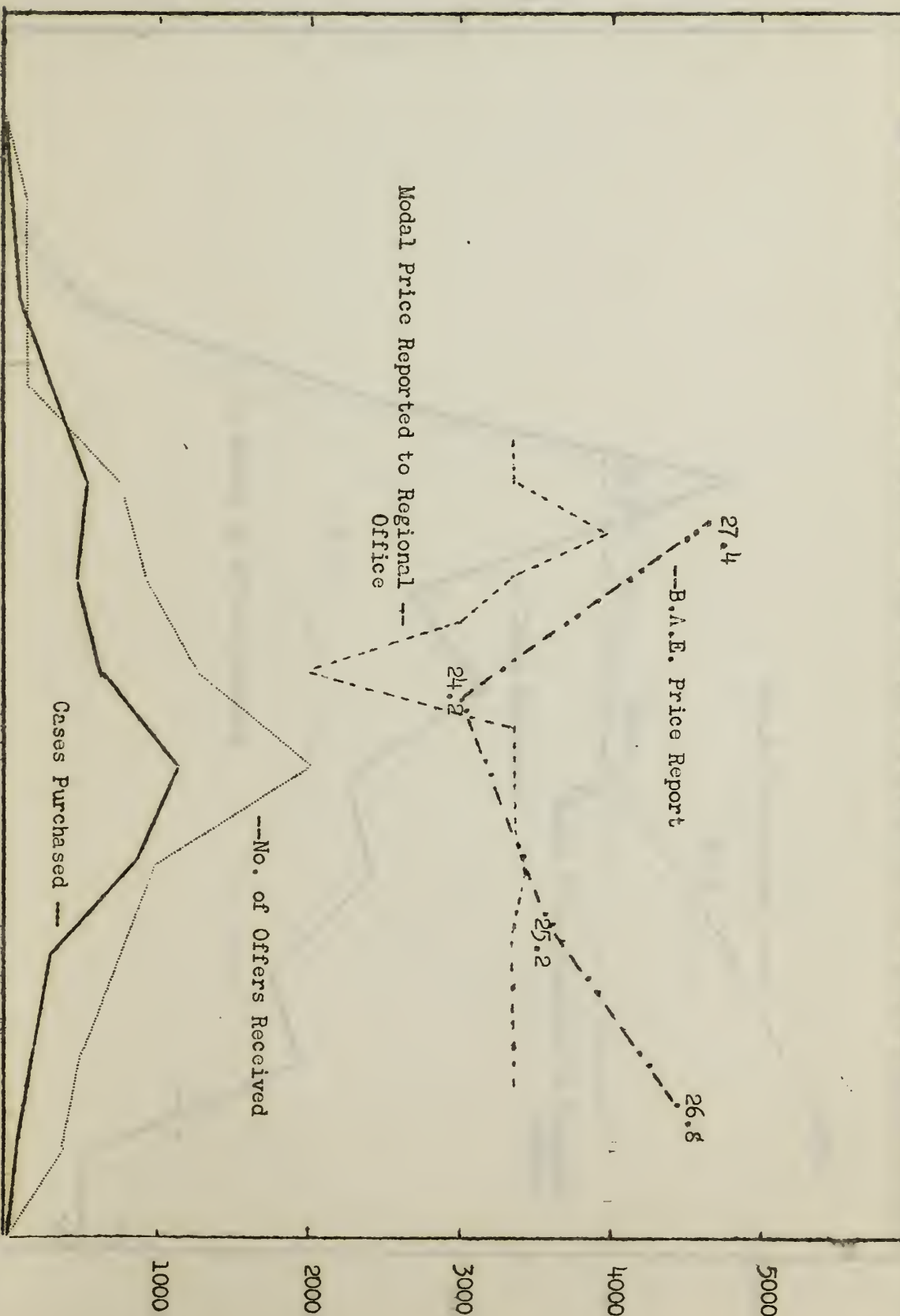
TABLE NO. 2. Total Number of Cases Reported in Each State

State	Number of Cases
Alabama	50
Arkansas	200
California	100
Colorado	100
Connecticut	100
Delaware	100
District of Columbia	100
Florida	100
Georgia	100
Idaho	100
Illinois	100
Indiana	100
Iowa	100
Kansas	100
Kentucky	100
Louisiana	100
Maine	100
Maryland	100
Massachusetts	100
Michigan	100
Minnesota	100
Mississippi	100
Missouri	100
Montana	100
Nebraska	100
Nevada	100
New Hampshire	100
New Jersey	100
New Mexico	100
New York	100
North Carolina	100
North Dakota	100
Ohio	100
Oklahoma	100
Oregon	100
Pennsylvania	100
Rhode Island	100
South Carolina	100
South Dakota	100
Tennessee	100
Texas	100
Vermont	100
Virginia	100
Washington	100
West Virginia	100
Wisconsin	100
Wyoming	100
Total	1,000

Price No.

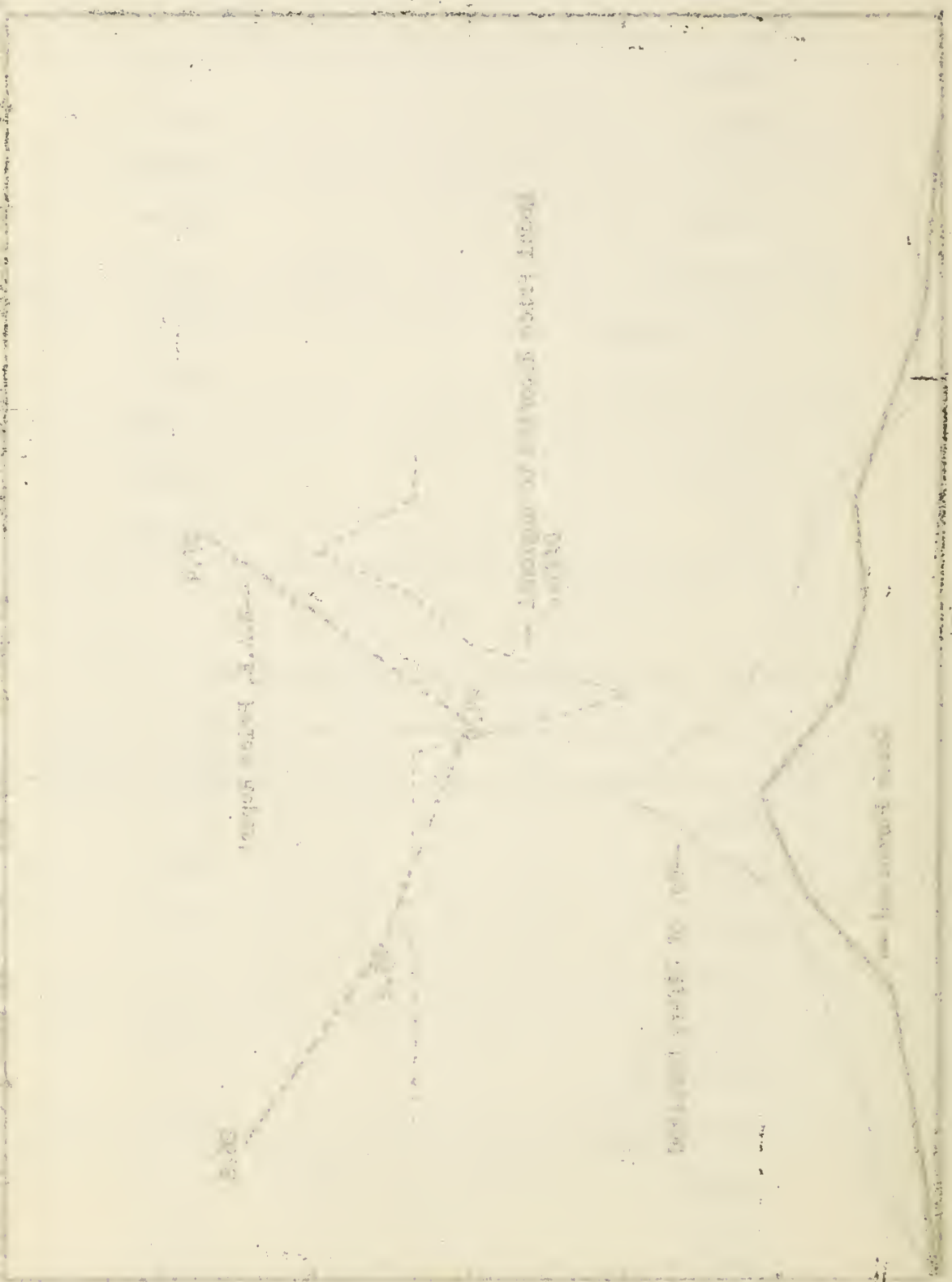
Per Doz. Offers Jan. 14 28 Feb. 12 26 Mar. 11 25 Apr. 8 22 May 6 20 June 3 17 July 1 No. Cases

SOUTHERN REGION - CONSUMER GRADE EGG PROGRAM - ALABAMA  
 Number of Offers, Cases of Eggs Purchased, and Price Received by  
 Producers Bi-weekly, January 1 to July 1, 1944



1

100  
 80  
 60  
 40  
 20  
 0

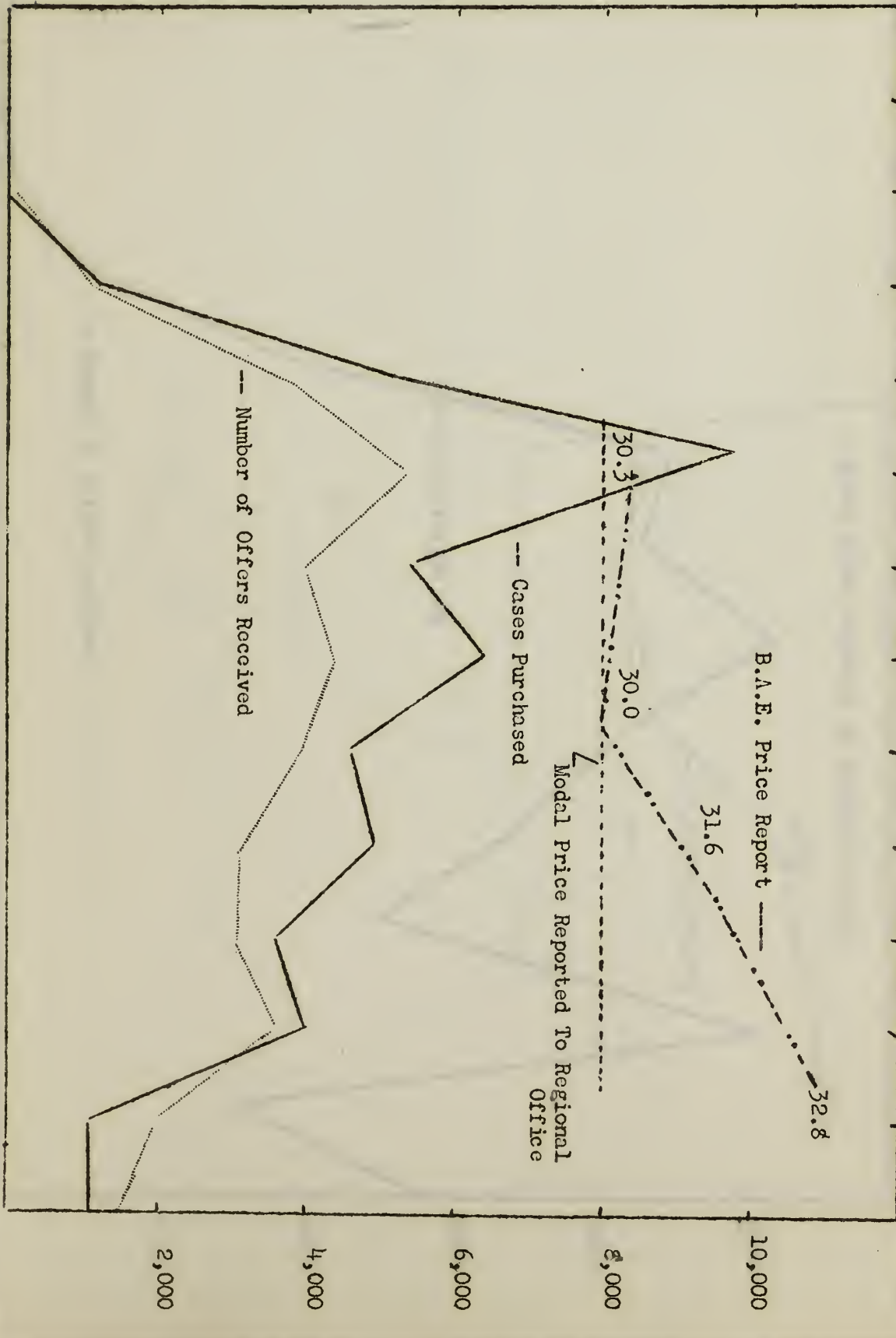


Number of birds per flock  
 Number of birds per flock (continued)  
 Total number of birds

Price No.  
Per Doz. Offers

Jan. 14 28 Feb. 12 26 Mar. 11 25 Apr. 8 22 May 6 20 June 3 17 July 1 No. Cases

SOUTHERN REGION - CONSUMER GRADE EGG PROGRAM - FLORIDA  
Number of Offers, Cases of Eggs Purchased, and Price Received by  
Producers Bi-weekly, January 1 to July 1, 1944



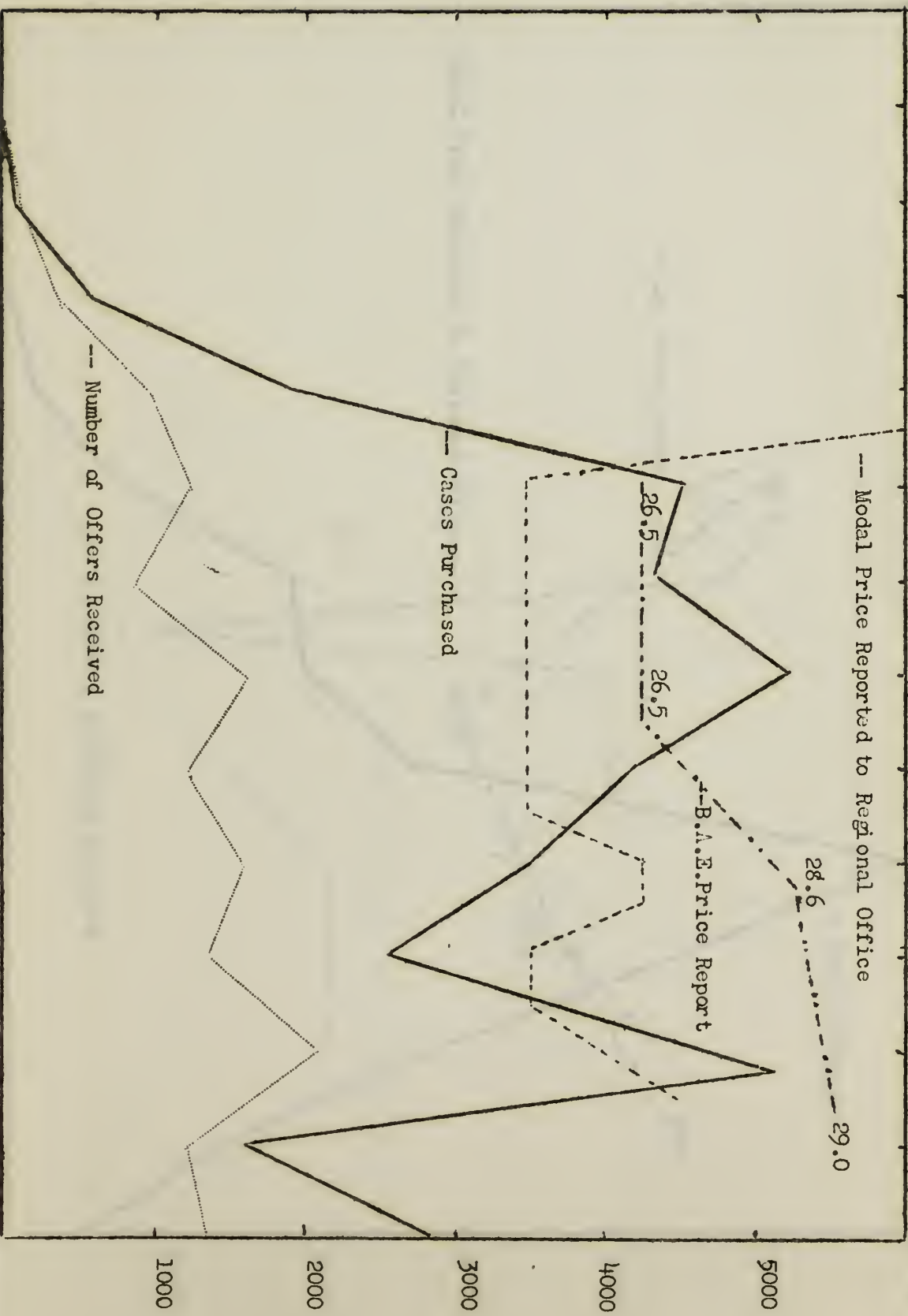


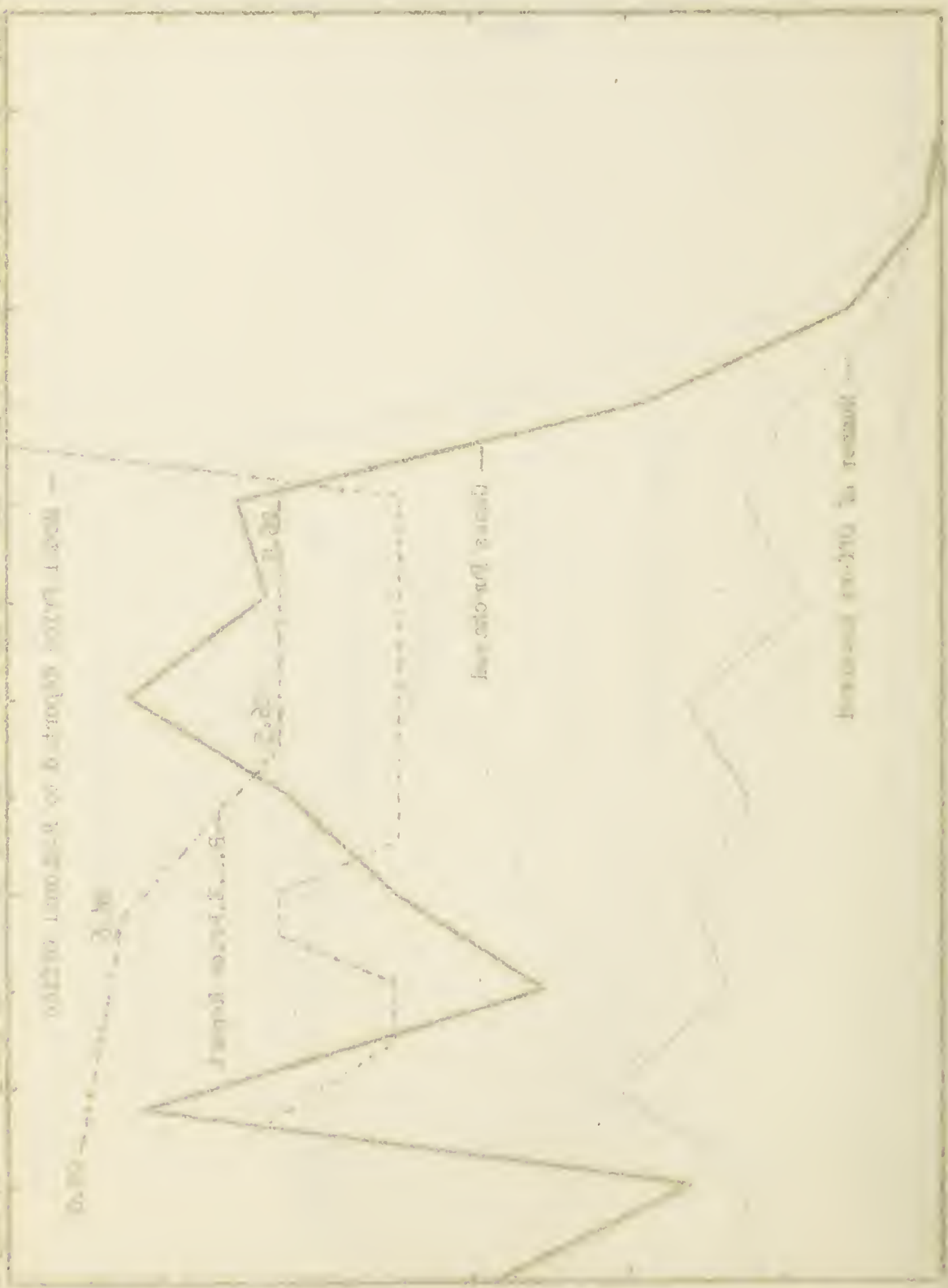


Section of original formation  
Lenses of sandstone  
Lenses of shale

SOUTHERN REGION - CONSUMER GRADE EGG PROGRAM - GEORGIA  
 Number of Offers, Cases of Eggs Purchased, and Price Received  
 by Producers Bi-weekly, January 1 to July 1, 1944

Price Per Doz.	No. Offers	Jan. 14	28 Feb. 12	26 Mar. 11	25 Apr. 8	22 May 6	20 June 3	17 July 1	No. Cases
28	40								
26	32								
24	24								
22	16								
20	8								

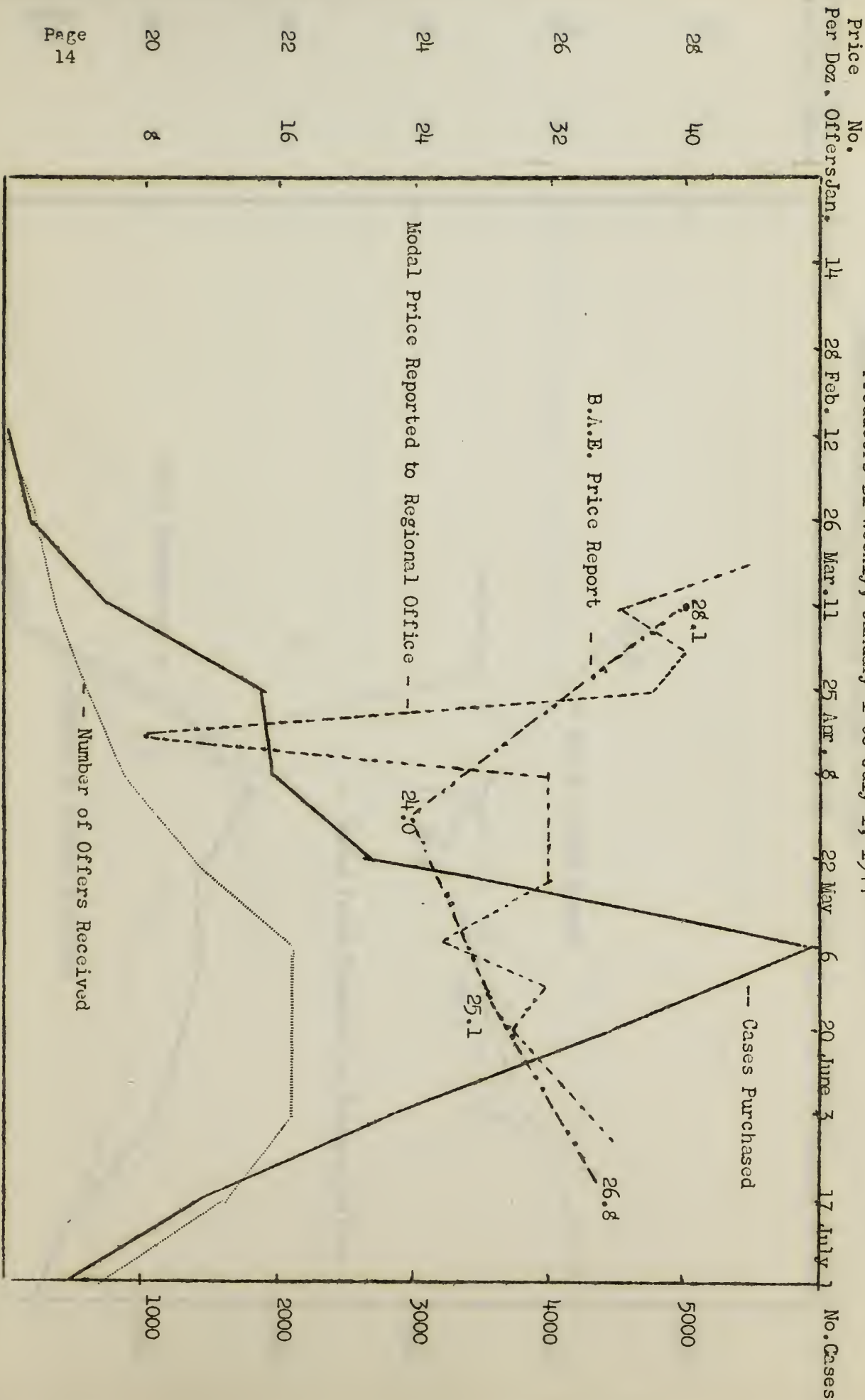




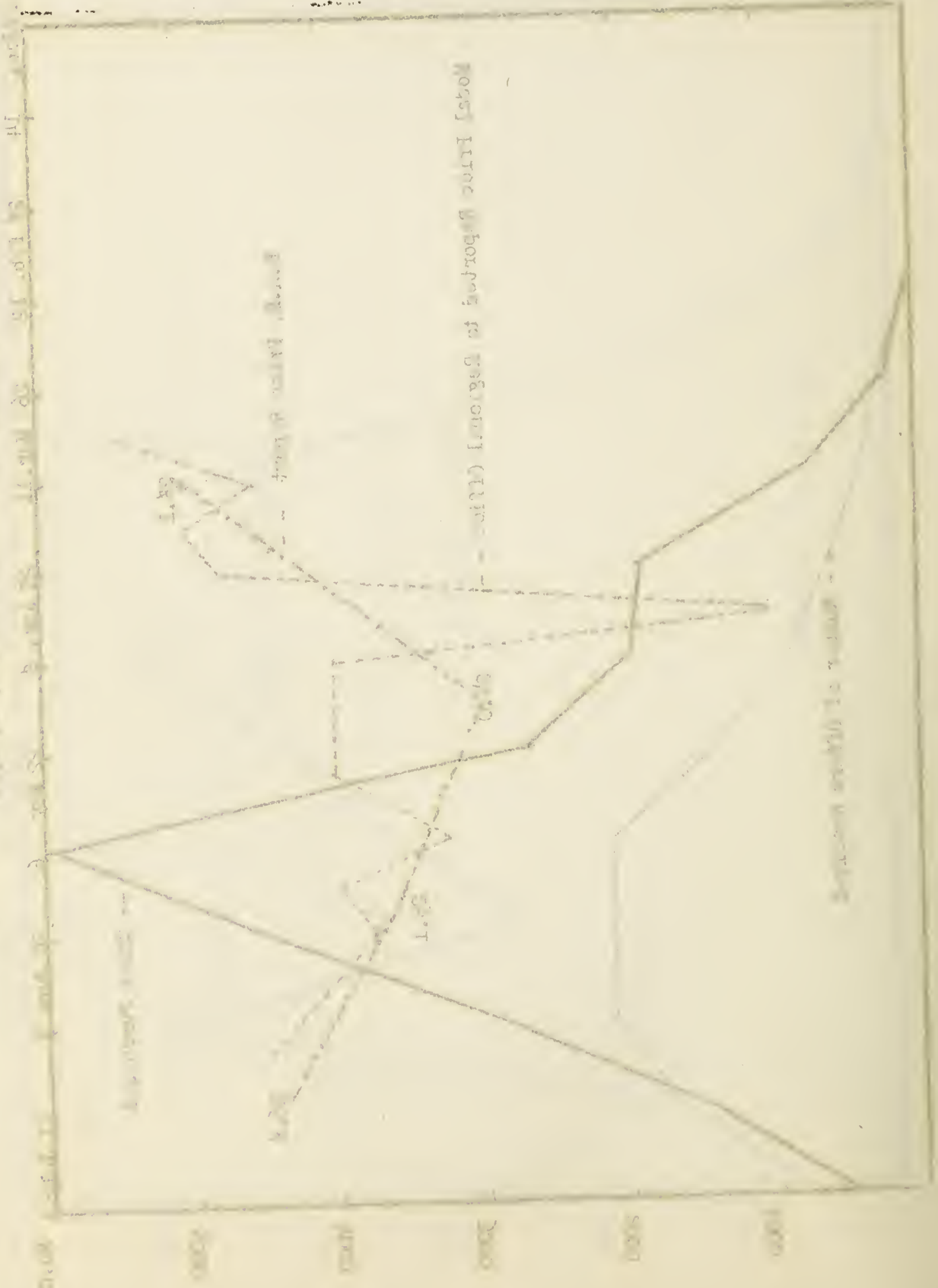
The production of goods and services in the United States has increased steadily since 1900. This is due to a number of factors, including technological advances, increased investment in infrastructure, and a growing population. The index of output, which measures the total value of goods and services produced, has risen from 10 in 1900 to 100 in 1910. The index of production, which measures the total value of goods and services produced, has also risen from 10 in 1900 to 90 in 1910. The index of consumption, which measures the total value of goods and services consumed, has risen from 10 in 1900 to 90 in 1910. The index of investment, which measures the total value of goods and services invested, has risen from 10 in 1900 to 90 in 1910.



SOUTHERN REGION - CONSUMER GRADE EGG PROGRAM - KENTUCKY  
 Number of Offers, Cases of Eggs Purchased, and Price Received by  
 Producers Bi-weekly, January 1 to July 1, 1944



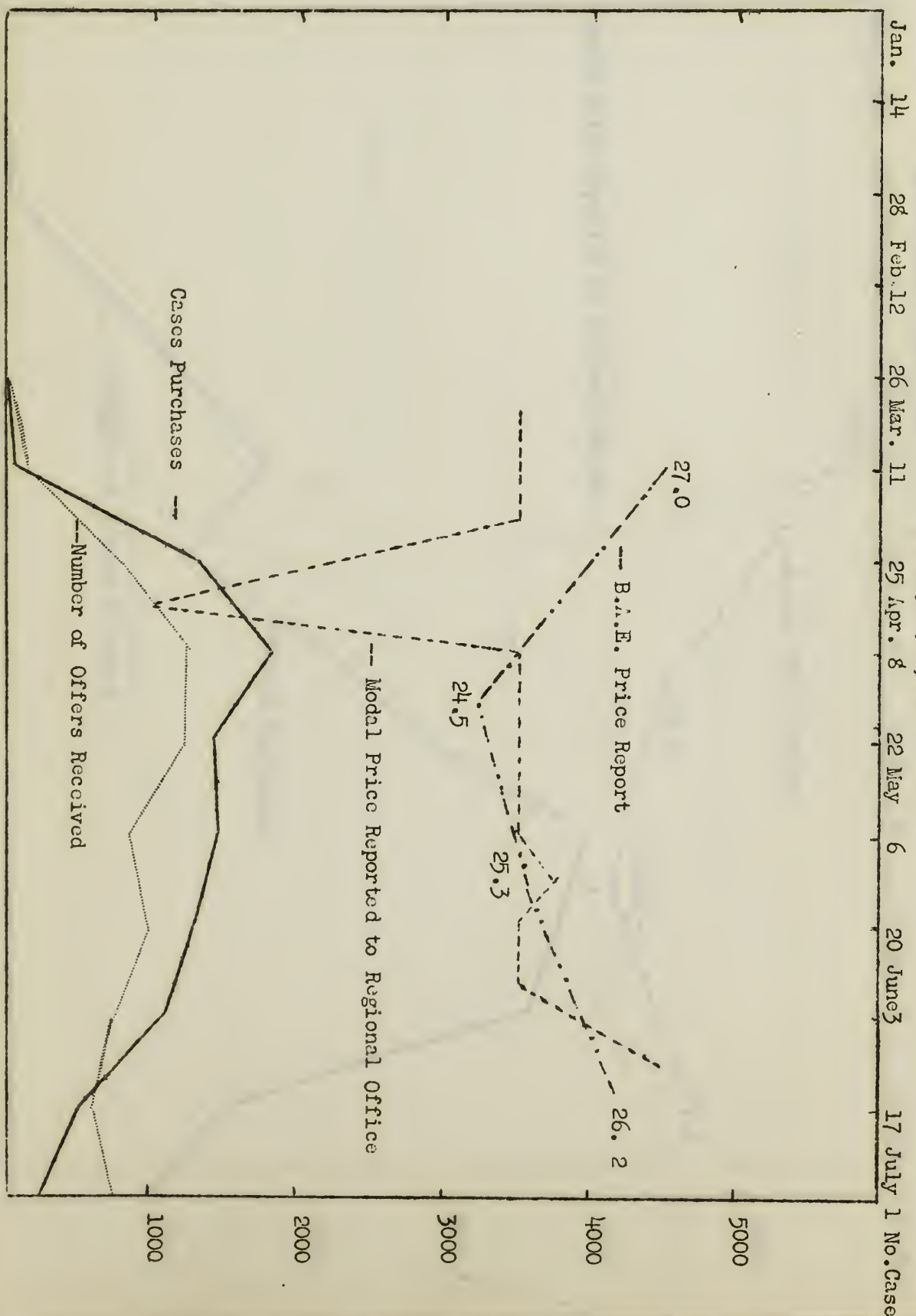
100  
 90  
 80  
 70  
 60  
 50  
 40  
 30  
 20  
 10  
 0

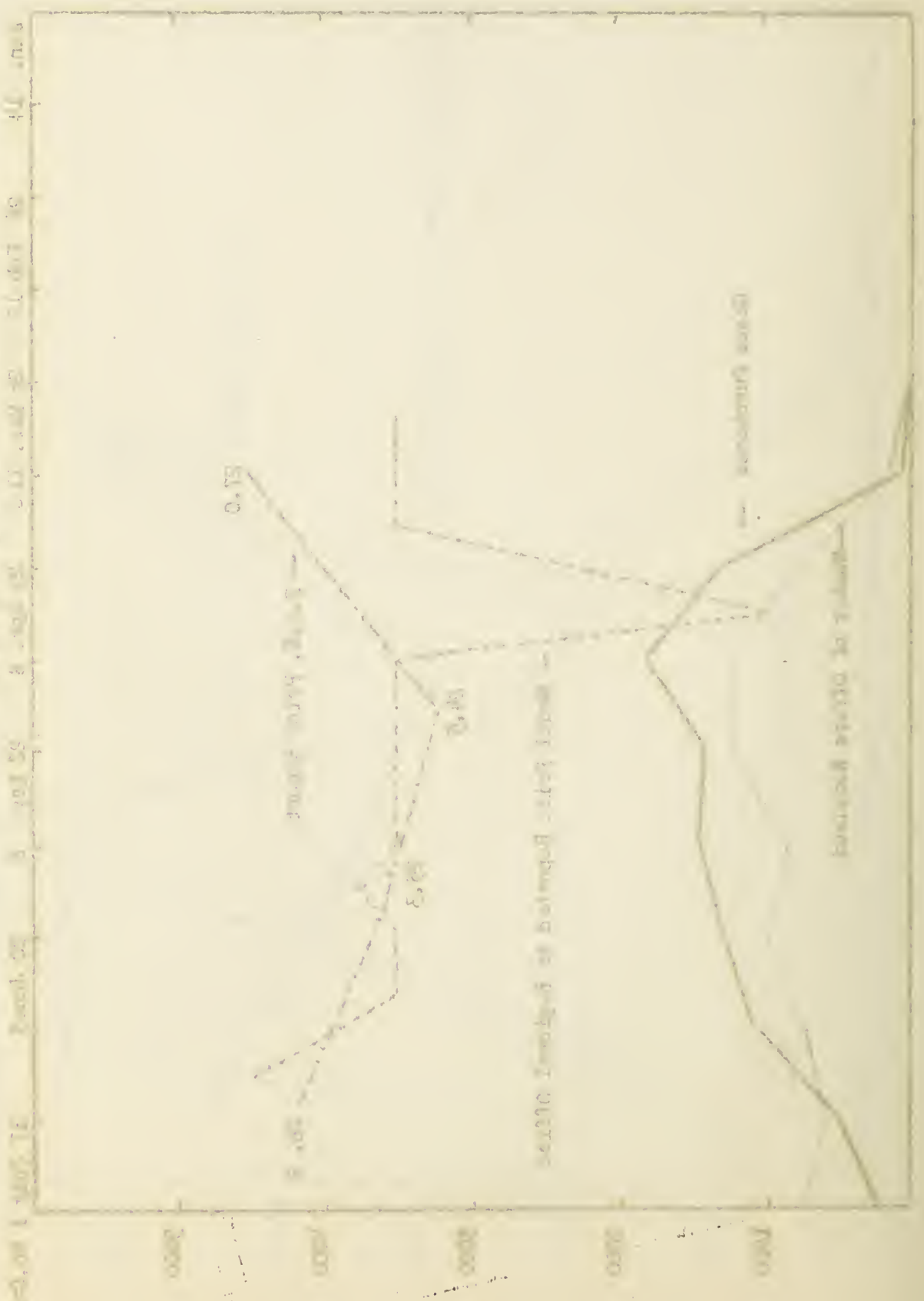


The above described prices are for the year 1911.  
 The prices of wheat, corn, and soybeans are  
 shown in the following table.

SOUTHERN REGION - CONSUMER GRADE EGG PROGRAM - MISSISSIPPI  
 Number of Offers, Cases of Eggs Purchased, and Price Received by  
 Producers Bi-weekly, January 1 to July 1, 1944

Price No.  
 Per Doz. Offers



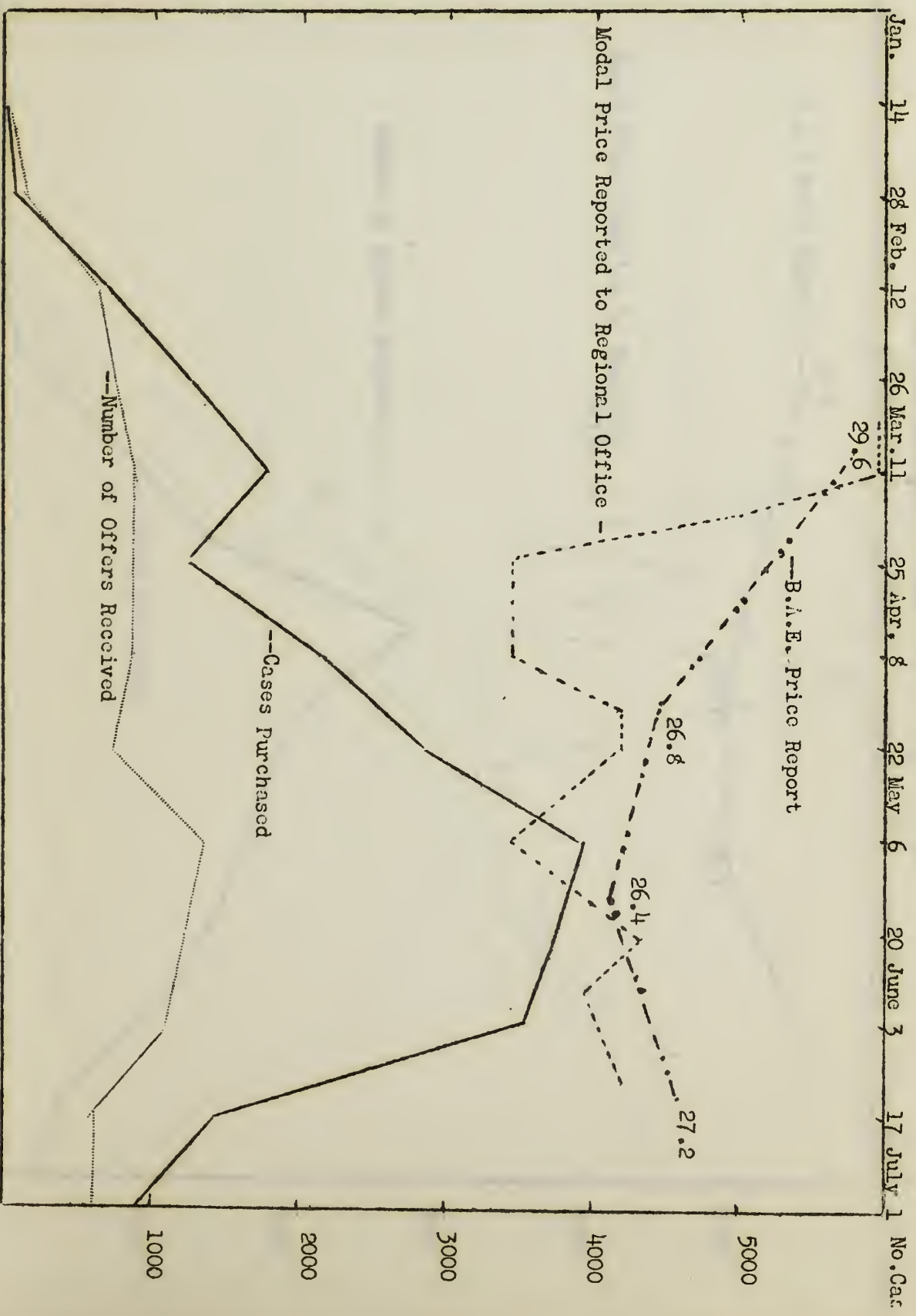


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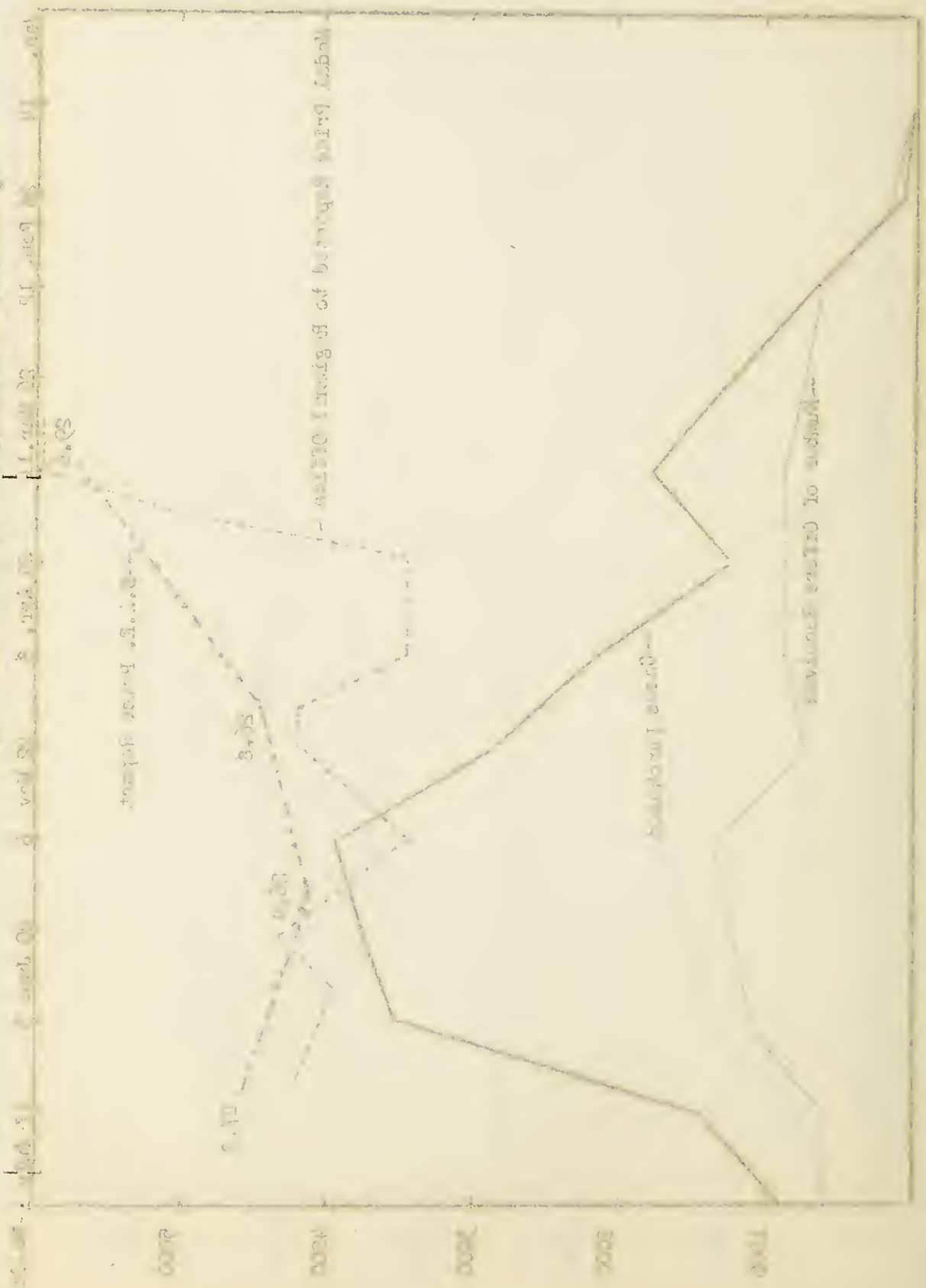
Price No.  
Per Doz. Offers

SOUTHERN REGION - CONSUMER GR. DE EGG PROGRAM - NORTH CAROLINA  
Number of Offers, Cases of Eggs Purchased, and Price Received  
by Producers Bi-weekly, January 1 to July 1, 1944.



Box No. 101  
 Date: 10/1/1911

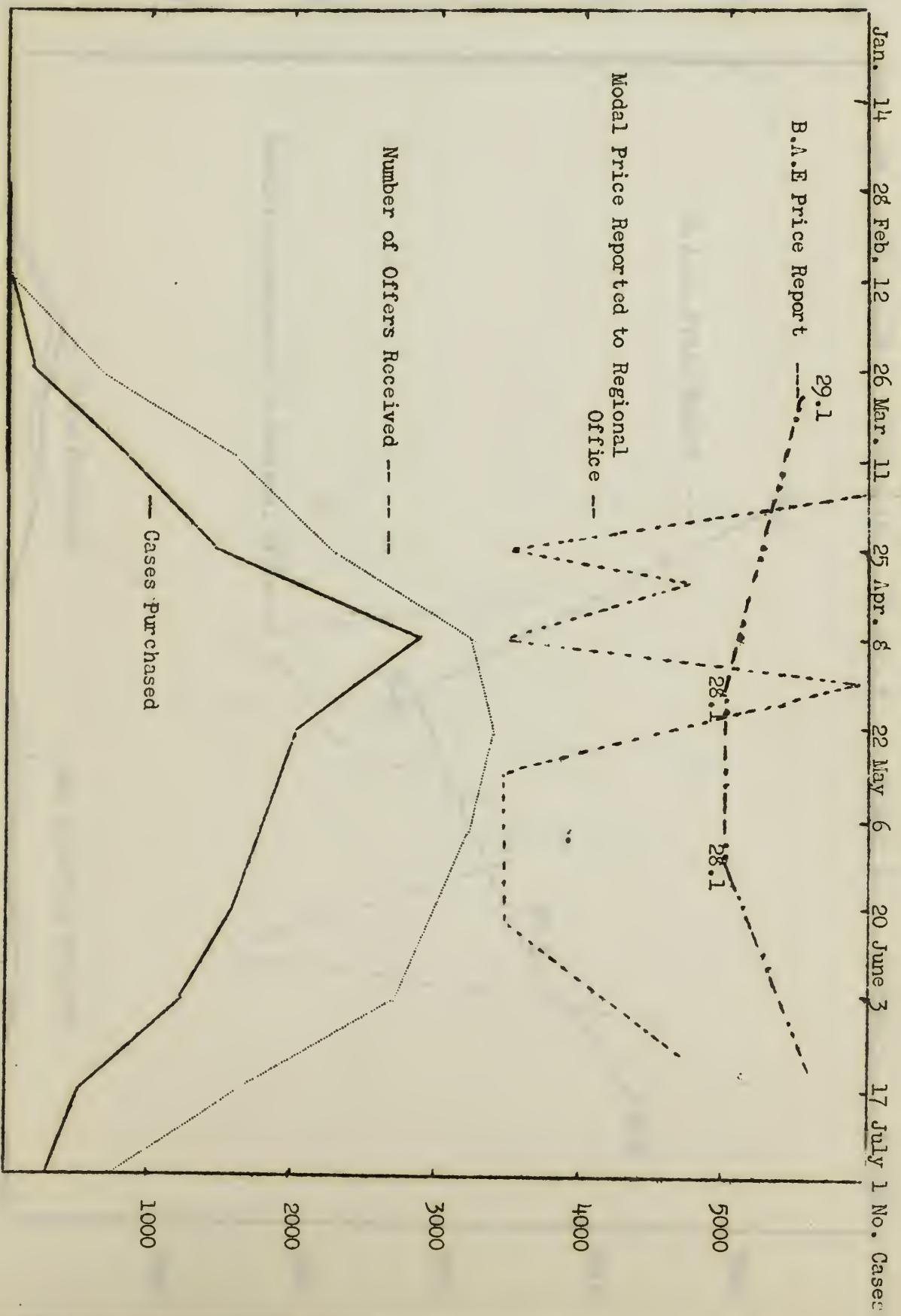
100  
 80  
 60  
 40  
 20  
 0



Box No. 101  
 Date: 10/1/1911  
 Temperature of Culture Medium  
 Culture Temperature  
 D.E. Culture Medium  
 D.E. Culture Medium

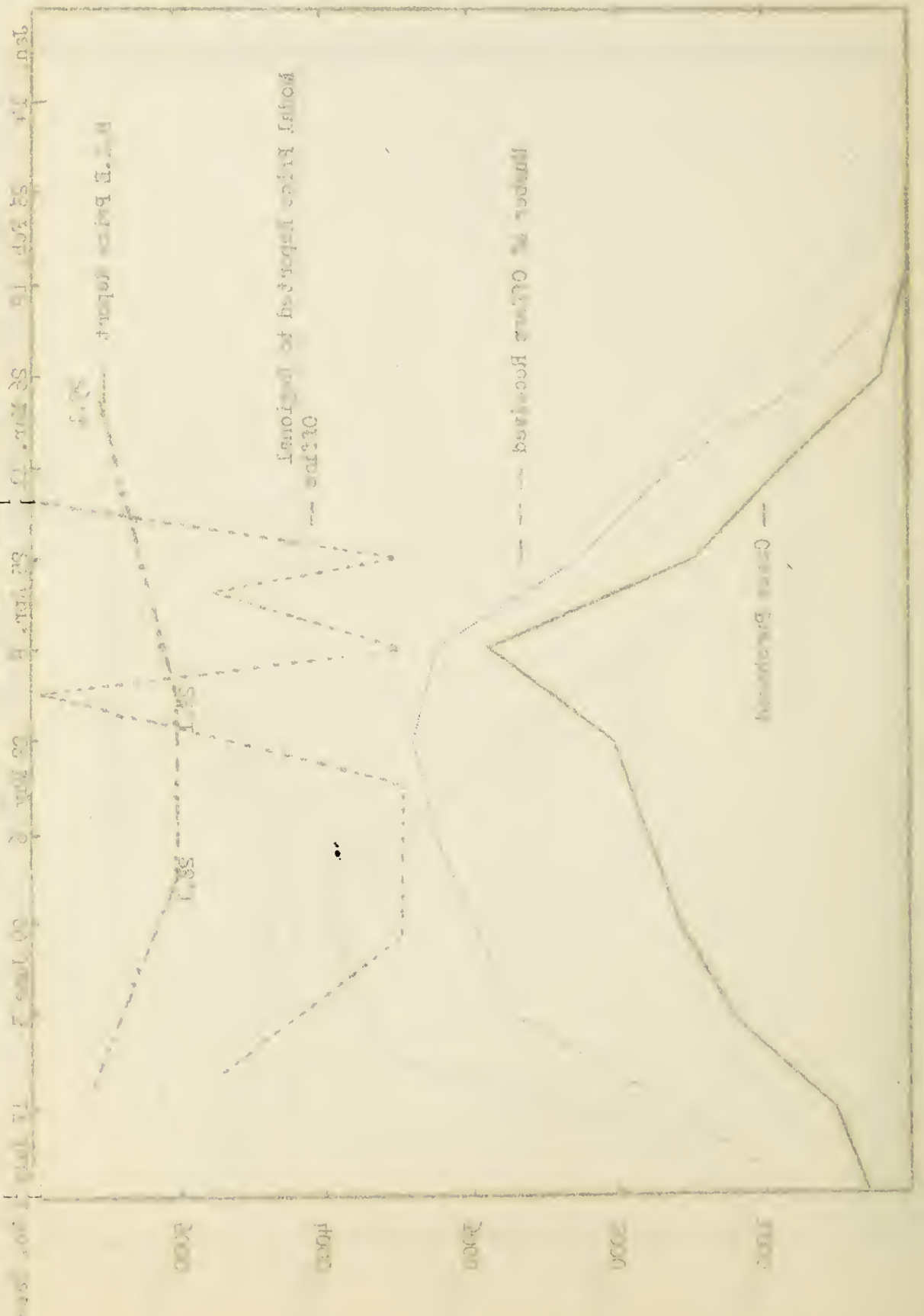
Price No.  
Per Doz. Offers

SOUTHERN REGION - CONSUMER G.R.D.E EGG PROGRAM - SOUTH CAROLINA  
Number of Offers, Cases of Eggs Purchased, and Price Received by  
Producers Bi-weekly, January 1 to July 1, 1944





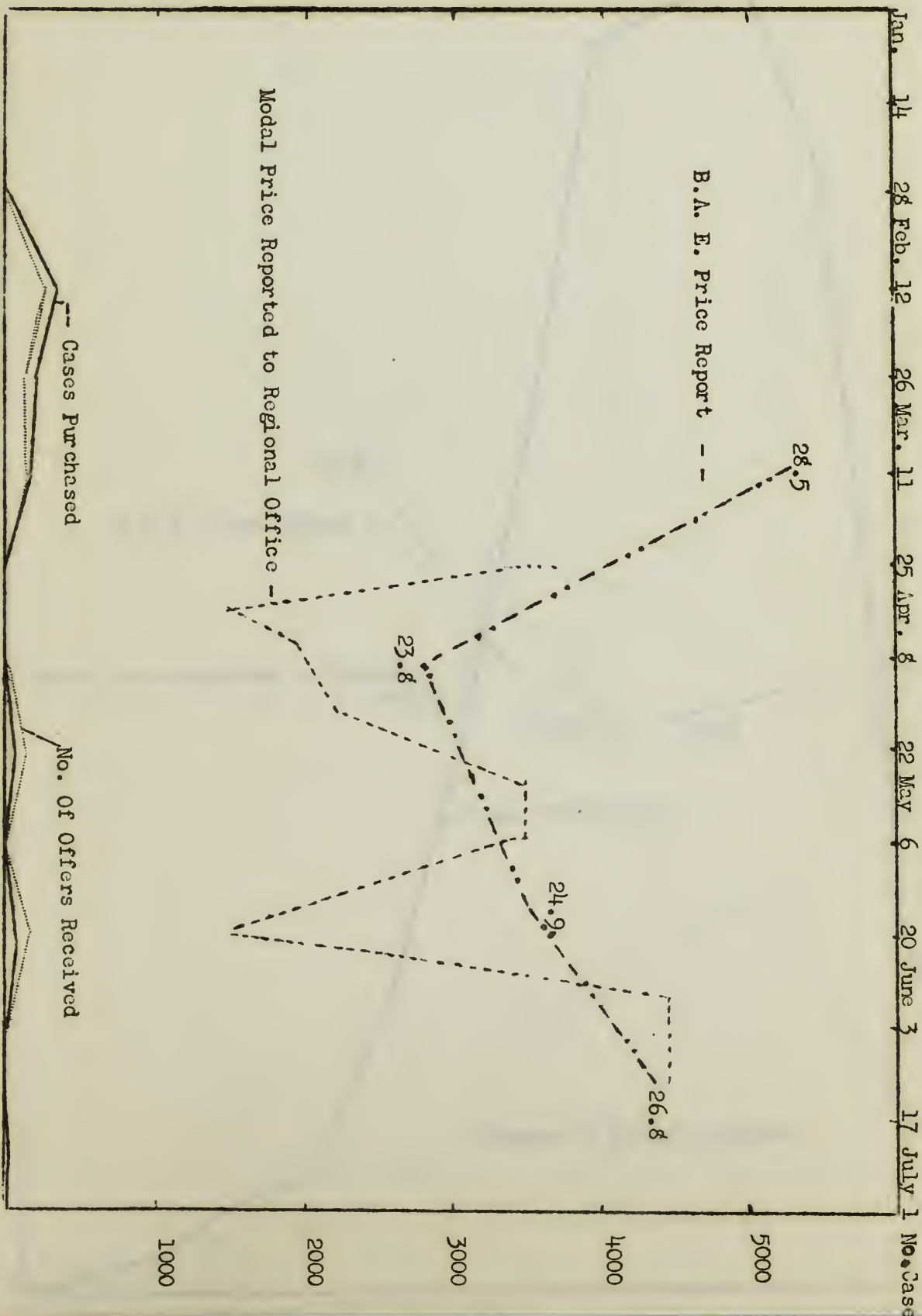
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 98  
 99  
 100



Number of Officers Received  
 Number of Officers Reported to Regional Office  
 Number of Officers Reported to Regional Office

SOUTHERN REGION - CONSUMER GRADE EGG PROGRAM - TENNESSEE  
 Number of Offers, Cases of Eggs Purchased, and Price Received  
 by Producers Bi-weekly, January 1 to July 1, 1944

Price No. Offers  
 Per Doz.



B. A. E. Price Report --

Modal Price Reported to Regional Office --

Cases Purchased

No. of Offers Received

28  
26  
24  
22  
20

40  
32  
24  
16  
8

1000

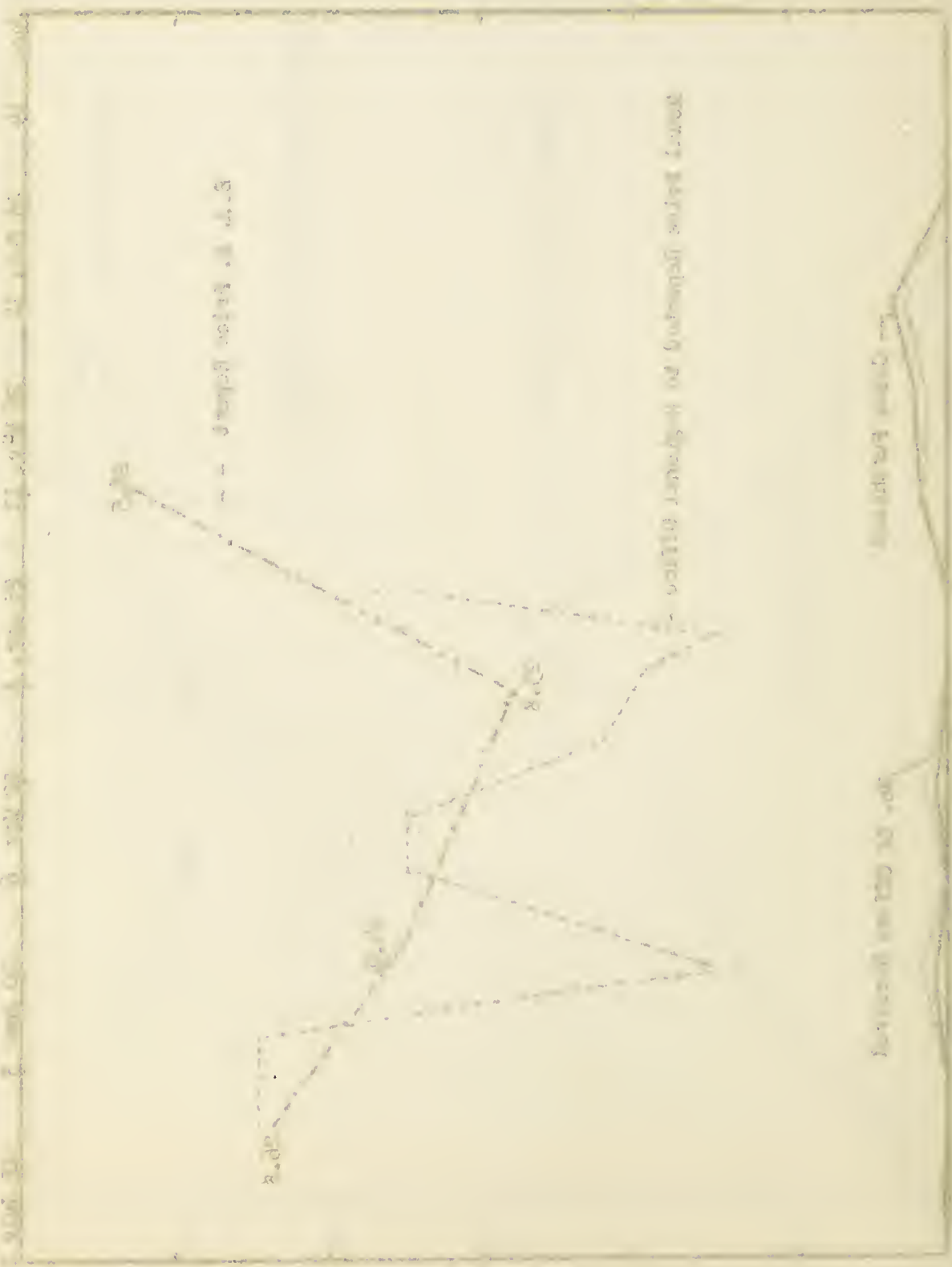
2000

3000

4000

5000

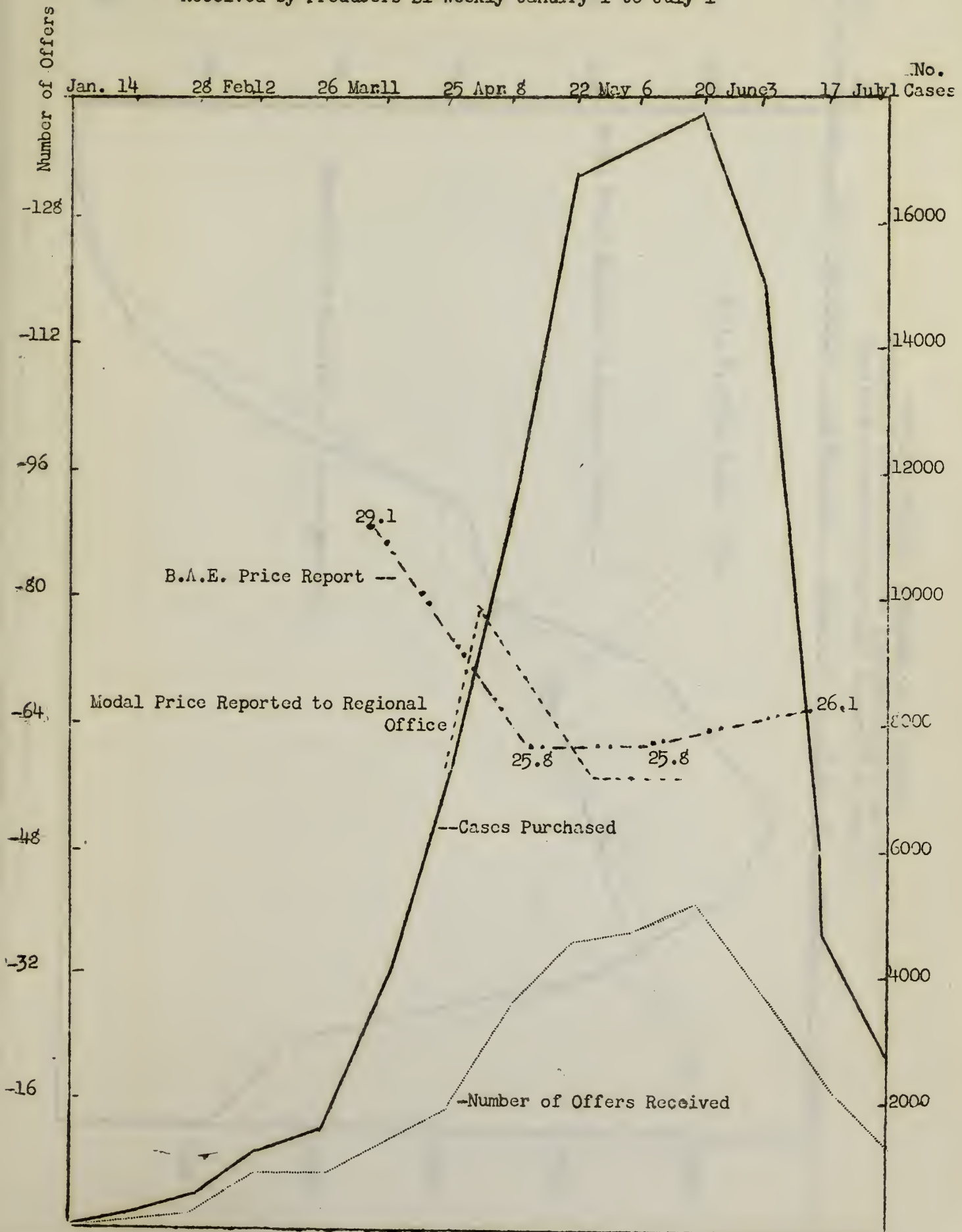
Station	1000	1500	2000	2500	3000	3500	4000	4500	5000	5500	6000	6500	7000	7500	8000	8500	9000	9500	10000
Altitude	1000	1500	2000	2500	3000	3500	4000	4500	5000	5500	6000	6500	7000	7500	8000	8500	9000	9500	10000

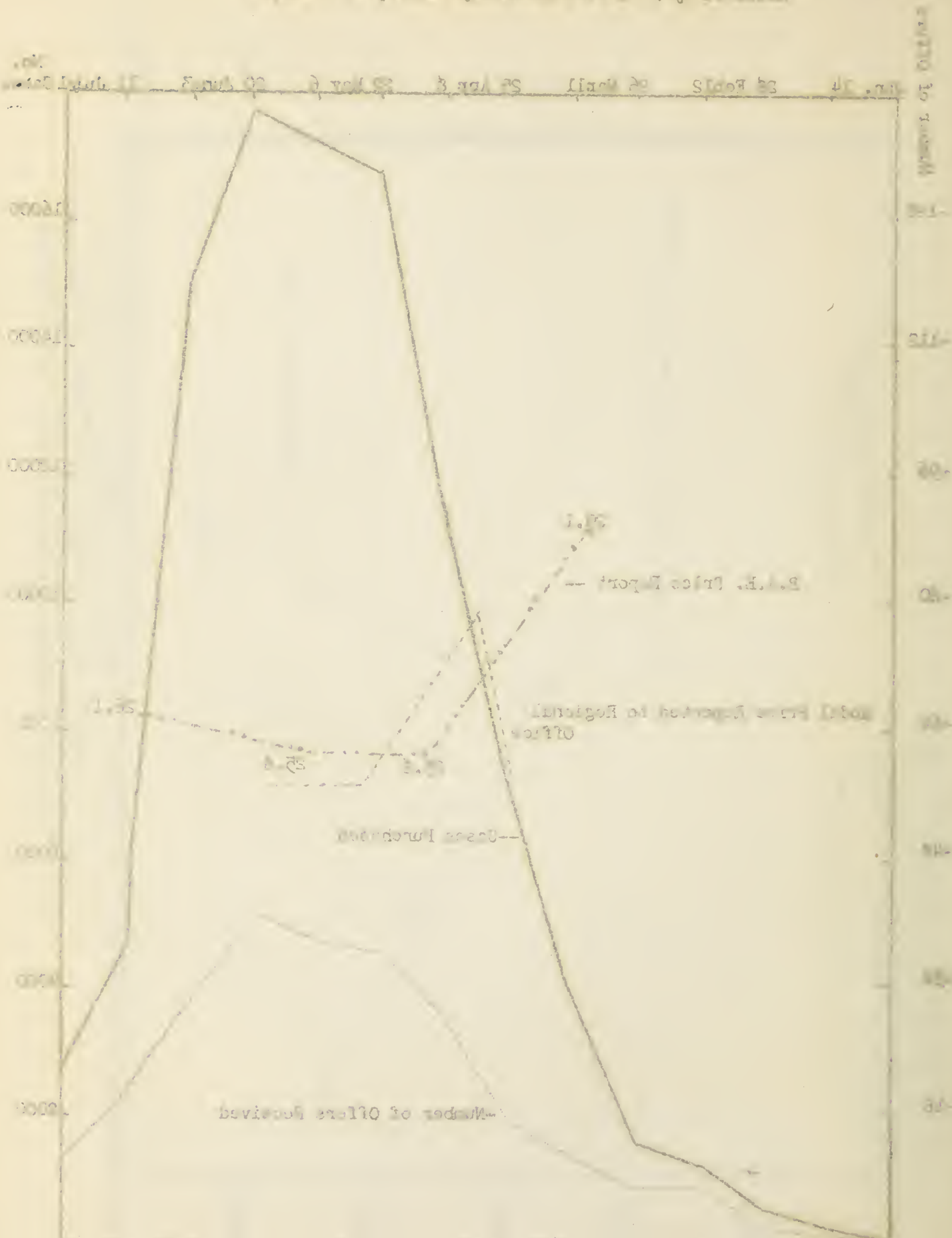


The following table shows the relationship between altitude and various factors. The y-axis represents altitude from 0 to 10,000. The x-axis represents various factors. A solid line shows a general upward trend, while a dashed line shows a general downward trend. A third line shows a more complex pattern with a peak and a dip.

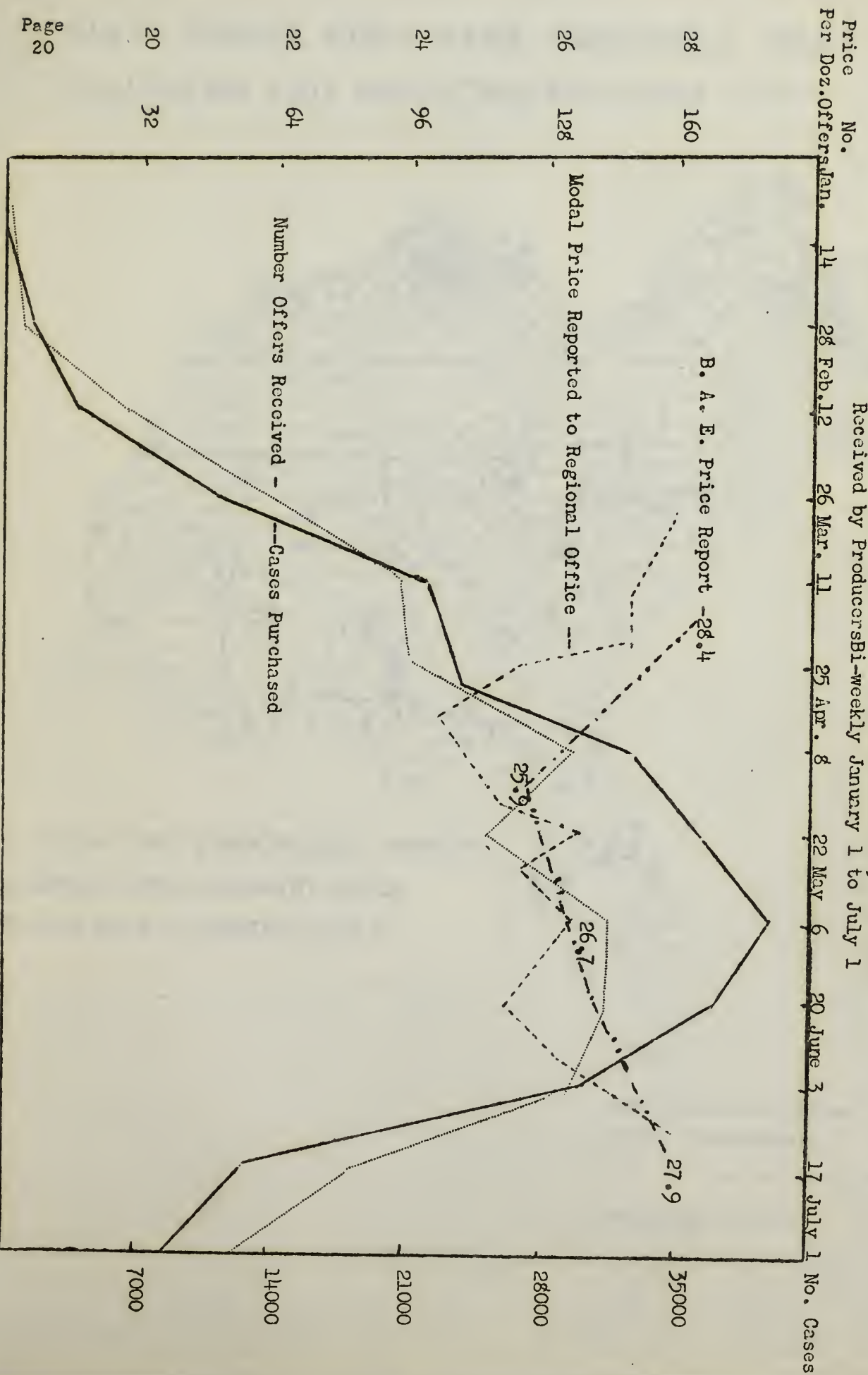


SOUTHERN REGION-CONSUMER GRADE EGG PROGRAM-VIRGINIA  
Number of Offers, Cases of Eggs Purchased, and Price  
Received by Producers Bi-weekly January 1 to July 1



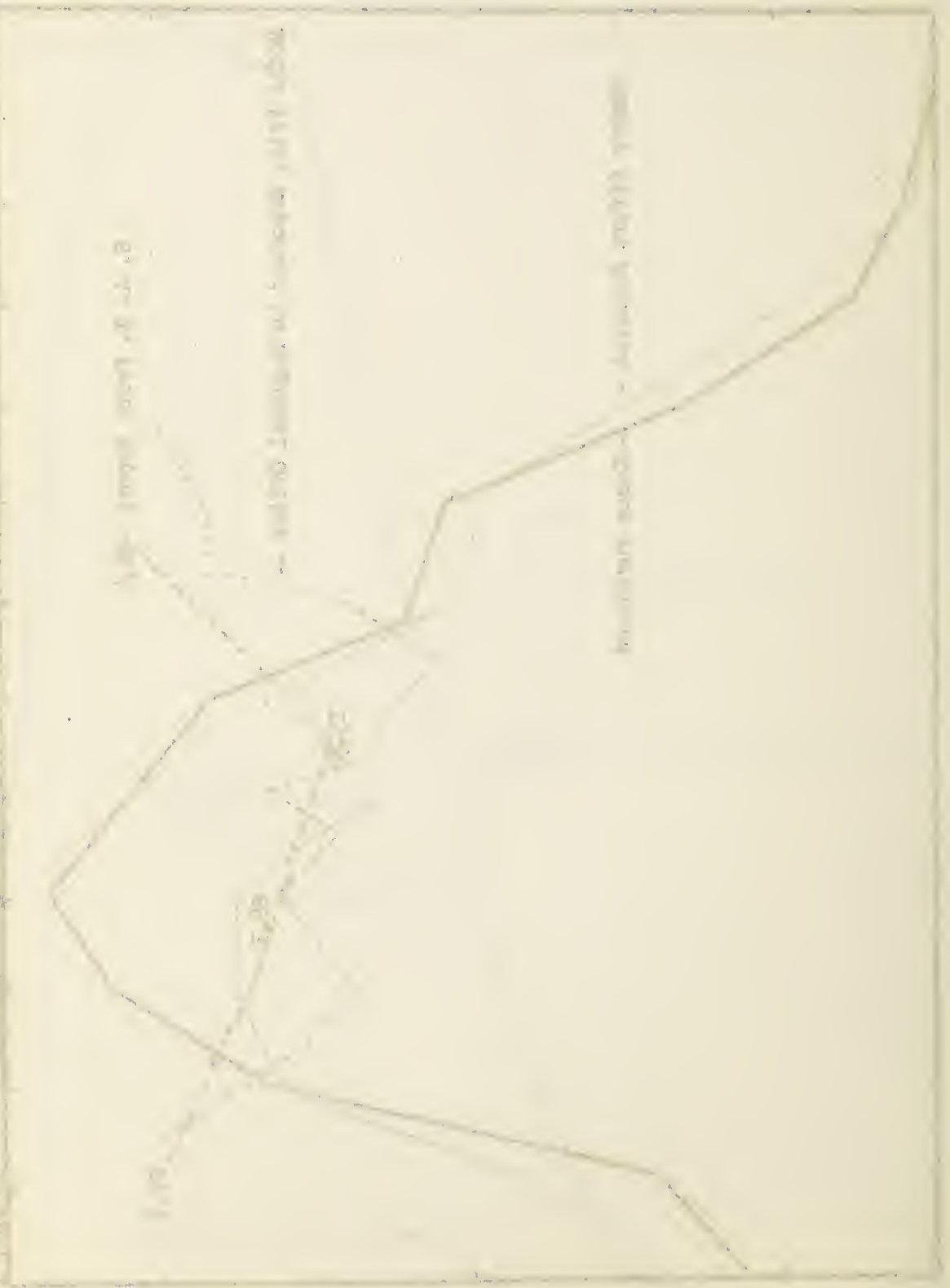


**SOUTHERN REGION - CONSUMER GR. DE PROGRAM**  
 Number of Offers, Cases of Eggs Purchased, and Price  
 Received by Producers Bi-weekly January 1 to July 1



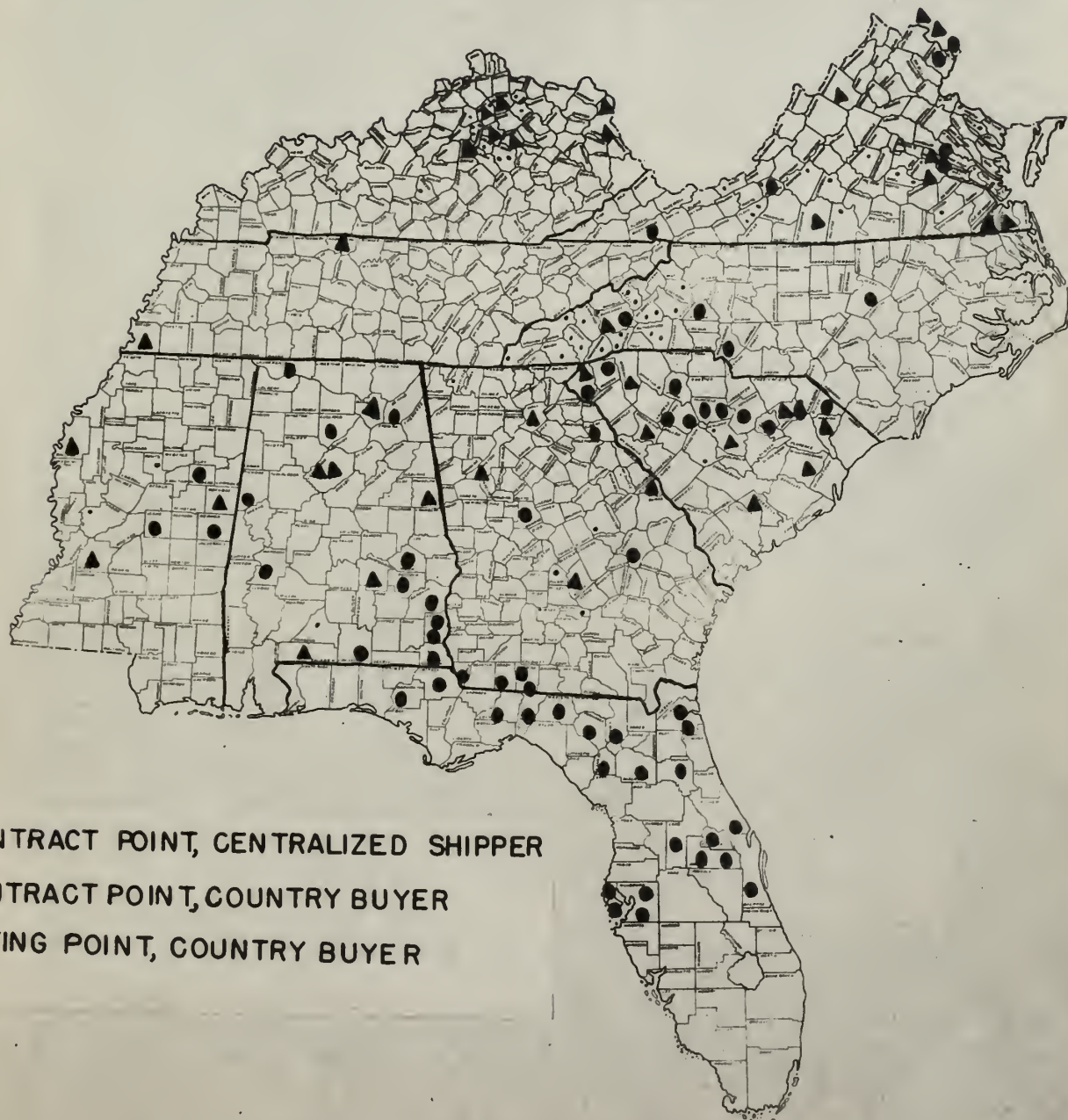


1000  
2000  
3000  
4000  
5000  
6000  
7000  
8000  
9000  
10000



Actual (1960-1969) - Estimated (1960-1969)  
Actual (1970-1979) - Estimated (1970-1979)

POINTS WHERE EGGS WERE PURCHASED UNDER  
SOUTHERN EGG MARKETING PROGRAM 1944



- ▲ CONTRACT POINT, CENTRALIZED SHIPPER
- CONTRACT POINT, COUNTRY BUYER
- BUYING POINT, COUNTRY BUYER

WAR FOOD ADMINISTRATION  
OFFICE OF DISTRIBUTION  
DAIRY & POULTRY FIELD OFFICE  
SOUTHERN REGION





## DISPOSITION OF EGGS PURCHASED

All consumer grade eggs bought under the Southern Egg Marketing Program were purchased with Section 32 funds, and this fact governed the method eggs were distributed after becoming the property of the Office of Distribution. Eggs purchased with Section 32 funds were distributed to schools (to be used in connection with the School Lunch Program), state institutions, child care centers, and some were used for public assistance. The distribution of eggs by states is shown in Table No. 6, however, this data does not include eggs moved into storage by this office.

Four different methods were employed to move eggs purchased under this program; namely (1) Local deliveries, (2) Shipments under U. S. Government bill of lading for direct distribution, (3) Shipment into storage, and (4) Interstate shipments.

During the past year 55,950 cases or 21 percent of all eggs purchased were handled by local deliveries. As many eggs as possible were distributed in this manner because it was most economical of all methods. A school, for example, having a school lunch program located in the same town as one of our contractors would request a certain quantity of eggs. When that quantity of eggs was purchased from the contractor, the school would be notified to call for the quantity of eggs ordered. Therefore, transportation and storage expenses were saved. Savings to the Government for transportation alone under this method of distribution were considerable.

More eggs were purchased from certain towns than could be distributed locally. There were other areas where the demand for Section 32 eggs was greater than the available supply. Therefore, if the eggs when purchased could not be used locally, they were shipped, usually to some other area in the state, where they were needed. This is another direct distribution method and consequently eggs shipped under this plan were not placed into storage by the Office of Distribution. The savings for storage alone under the two methods described would be not less than \$34,700 exclusive of transportation in and out.

The third plan was to ship the eggs from the contractor's place of business directly to a refrigerated storage warehouse. The quantity of eggs moved by this method was relatively small until May 1 as indicated by the graphs on pages 27 and 28. 162,962 cases of eggs moved into direct distribution channels, and therefore, 38 percent of the eggs purchased under the consumer grade program were placed into storage.

Those working with shipping, storage and distribution of eggs met a number of problems. They met and overcame these problems by moving the eggs as quickly as circumstances would permit as illustrated by data summarized from a sample of 75 representative purchases from February 1 to June 15. This sample includes four February, thirteen March, twenty-three April, sixteen May, and thirteen June purchases, and reveals shipping instructions were issued within an average of four days after the eggs were offered in February, 4.5, 5, 6, and 6.8 days in March, April, May and June respectively. Since shipping instructions were mailed to the consignee or contractor, at least two

[illegible]

and (4) Interstate shipments; (5) bill of lading for direct destination; (6) shipment into storage; program; namely (1) local delivery; (2) shipments under U. S. Government different methods were employed to move goods purchased under this

the amount for transportation of the eggs under this method of distribution, transportation and other expenses were saved. Savings to the school would be realized to all for the quantity of eggs ordered. The first quantity of eggs was purchased from the contractor and one of the contractors was required to maintain a certain quantity of eggs. For example, having a school lunch program located in the vicinity of this manner, it was possible to obtain all of the eggs from one local deliveryman. The eggs were delivered to the school and the rest of the eggs were used for all purposes of all eggs. The eggs were used for all purposes of all eggs.

[illegible]



additional days should be added to the above figures to obtain the true picture as to how long was actually required for eggs to be moved from the contractor's place of business.

It is believed that movement of eggs would have been made more quickly had it not been for the acute shortage space and a requirement that under no circumstances could eggs be shipped into another state for direct distribution without approval from the Washington office. A similar requirement was effective only for a brief period on eggs moving into storage.

All eggs should be moved into storage or shipped directly to the consignee immediately after they are purchased for two primary reasons:

1. Prompt handling of eggs purchased insures the ultimate consumer of receiving a product of better quality.

2. Storage facilities of dealers are definitely limited. When filled to capacity it is no longer possible to continue purchases. Let us suppose, for example, a dealer in Lexington, Kentucky has access to storage space, but he is the only contractor purchasing surplus eggs in that town and since he is in a position to offer support prices, farmers choose to sell to him. For fifteen days his business operates smoothly and during this fifteen-day period suppose he made two offers to the Office of Distribution, but had not received shipping instructions on either and his storage space is filled to capacity. Under such conditions he is forced to virtually withdraw from the egg market until some eggs can be moved. Since undoubtedly in the meantime he has been a factor in the egg market that causes his competitors to maintain a reasonable higher price level, they now see an opportunity to pay farmers less for eggs they buy. As a result the average market price decreases and even though shortly after the contractor received shipping instructions and again enters the market, his competitors will be hesitant to increase their price if the movement of eggs into the market remains approximately unchanged. It is far less difficult to prevent a decrease of egg prices with a support program than it is to increase the average price level on a market. Therefore, prompt shipping instructions on eggs we have purchased is a lubricant that helps to keep the support program operating smoothly.

Although the example we have just given is hypothetical, in actual practice such situations occurred infrequently this year. Every possible step should be taken another year to see that they are prevented in the future.

#### Recommendations

Rapid movement of shell eggs from the contractor's place of business is imperative. To do this we recommend the following:

1. Each District Representative should be given authority to direct local delivery of Section 32 eggs to the consumer upon receipt of proper notice from the Procurement Division of the Regional Office. Details of this procedure could be worked out by the Shipping and Storage Division,





the Procurement Division, and Civilian Food Requirements Division of the Regional Office in cooperation with District Representatives.

2. Purchases in each state should be anticipated in advance by regional personnel and District Representatives. This would not be so difficult because if they are currently informed in regard to contractors who sell eggs under the support program and their approximate grading capacity weekly, they should be in a position to determine the approximate supply that will be available at a certain time.

3. Then this information should be properly weighed to determine how nearly the supply from contractors will balance with requests from schools and institutions for these eggs. From such data the need for moving eggs into the state or placing eggs in storage can be determined.

4. Storage needs should be anticipated ahead of purchases. To do this very close cooperation from the Procurement Division, Shipping and Storage Division, Civilian Food Requirements Division, and District Offices is necessary to facilitate movement of purchases.

5. A plan should be developed whereby Regional Shipping and Storage Division has authority to direct shipment of eggs without the necessity of obtaining clearance from the Washington office on administrative details pertaining to individual purchases unless a determination of policy is required.

the Procurement Division, and Civilian Food Requirements Division of the Regional Office in cooperation with District Representatives.

3. Purchases in each state should be anticipated in advance by regional personnel and District Representatives. This would not be so difficult because if they are currently informed in regard to contractors who sell eggs under the support program and their approximate growing capacity weekly, they should be in a position to determine the approximate supply that will be available at a certain time.

3. Then this information should be properly weighed to determine how nearly the supply from contractors will balance with requests from schools and institutions for these eggs. From such data the need for moving eggs into the state or placing eggs in storage can be determined.

4. Storage needs should be anticipated ahead of purchases. To do this very close cooperation from the Procurement Division, Shipping and Storage Division, Civilian Food Requirements Division, and District Offices is necessary to facilitate movement of purchases.

5. A plan should be developed whereby Regional Shipping and Storage Division has authority to direct shipment of eggs without the necessity of obtaining clearance from the Washington office on administrative details pertaining to individual purchases unless a determination of policy is required.



TABLE NO. 6

SOUTHERN REGION  
DISTRIBUTION OF EGGS UNDER TEN-CASE PROGRAM

State	Month	Public Assistance	Schools	Child Care Centers	Institutions	Total Dozen
ALABAMA	February		10,200			10,200
	March		24,780		6,660	31,440
	April		41,670		15,600	57,270
	May		16,440		26,010	42,450
	Total		93,909		41,610	116,580
FLORIDA	February		44,970		39,270	84,240
	March		134,595		30,015	164,610
	April		40,620		64,710	105,330
	May		7,350		80,760	88,110
	Total		227,535		214,755	442,290
GEORGIA	February	372	20,010	180	19,668	40,230
	March	2,520	33,240	210	106,800	142,770
	April	2,547	77,343	210	74,940	155,040
	May	2,496	64,230	378	21,780	88,884
	Total	7,935	194,823	978	223,188	426,924
KENTUCKY	February		11,610	420	28,680	40,710
	March		62,820		73,440	136,260
	April	7,168	19,320	512	87,220	114,220
	May	1,290	93,750	932	40,420	140,390
	Total	8,458	184,480	1,364	229,760	414,062
MISSISSIPPI	February		660		8,040	8,700
	March				41,940	41,940
	April				48,320	48,320
	May				98,300	98,300
	Total		660		196,600	197,260

Grade	Length	Perimeter	Subpoils	Child Care	Instruction	Total Power
1st	100	100	100	100	100	100
2nd	100	100	100	100	100	100
3rd	100	100	100	100	100	100
4th	100	100	100	100	100	100
5th	100	100	100	100	100	100
6th	100	100	100	100	100	100
7th	100	100	100	100	100	100
8th	100	100	100	100	100	100
9th	100	100	100	100	100	100
10th	100	100	100	100	100	100
11th	100	100	100	100	100	100
12th	100	100	100	100	100	100

Page 2 - Distribution of Eggs Under Ten-Case Program

State	Month	Public Assistance	Schools	Child Care Centers	Institutions	Total Dozen
NORTH CAROLINA	February		56,640		18,000	74,640
	March		119,760		66,600	186,360
	April		188,880		112,380	301,260
	May		22,500	450	18,810	41,760
	Total		387,780	450	215,790	604,020
SOUTH CAROLINA	February		21,330			21,330
	March		90,750		12,630	90,750
	April		341,340			353,970
	May		81,090			81,090
	Total		534,510		12,630	547,140
TENNESSEE	February	6,180	18,000		14,370	38,550
	March	9,300	58,860		4,770	72,930
	April	560	51,000		54,320	105,880
	May	9,570	36,000		25,740	71,310
	Total	25,610	163,860		99,200	288,670
VIRGINIA	February		22,680		35,730	58,410
	March		20,760		23,340	44,100
	April		30,480		28,230	58,710
	May		14,430		29,250	43,680
	Total		88,350		116,550	204,900
GRAND TOTAL : 3,062,384 Dozen						

The data given includes purchases of forty cars of eggs shipped from the Northeast Region and should be deducted from the total for the following states: Alabama 1, Florida 1, Georgia 6, Kentucky 6, North Carolina 12, South Carolina 7, Tennessee 7.



[illegible]

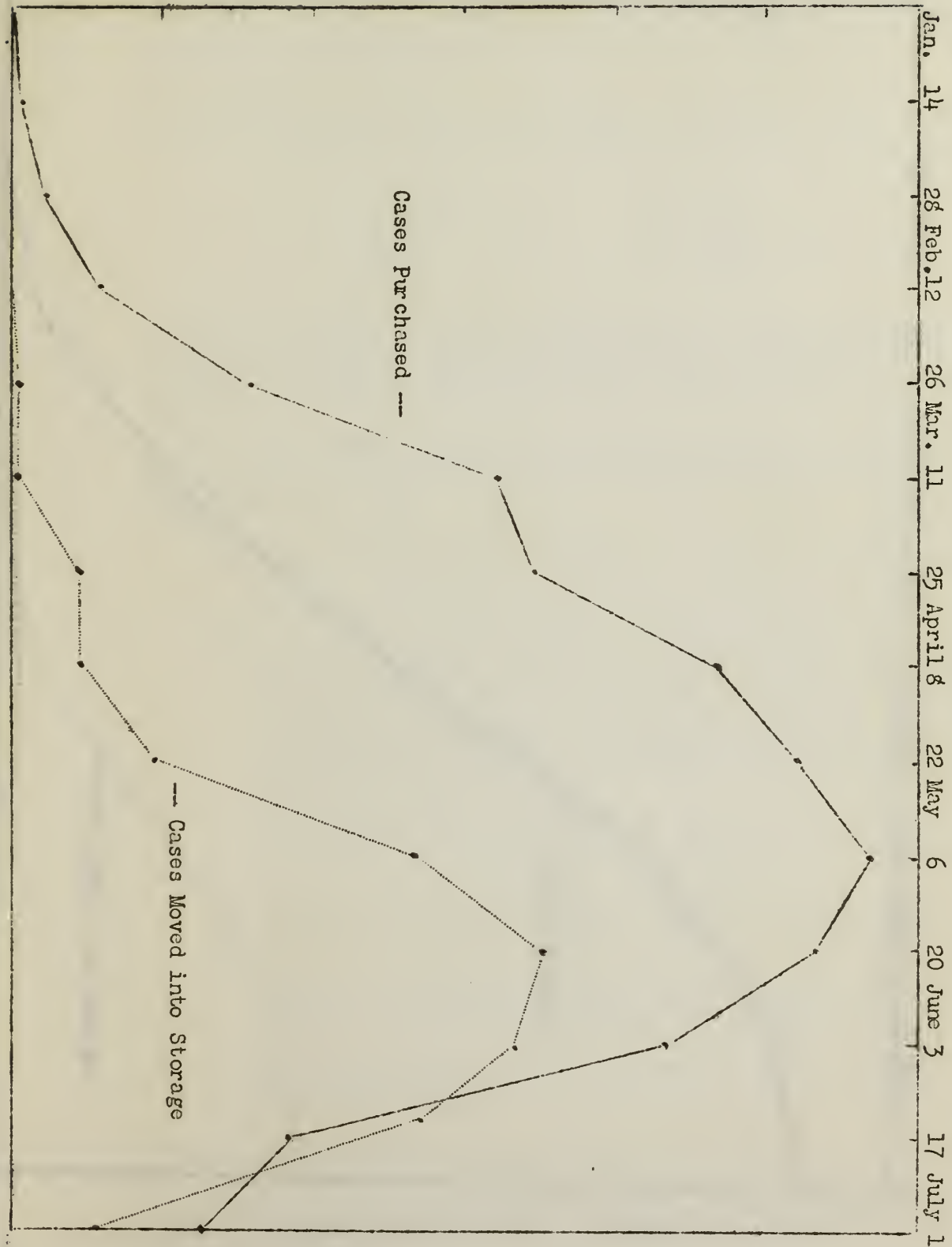
STUDENT: 2065 394 DORCE

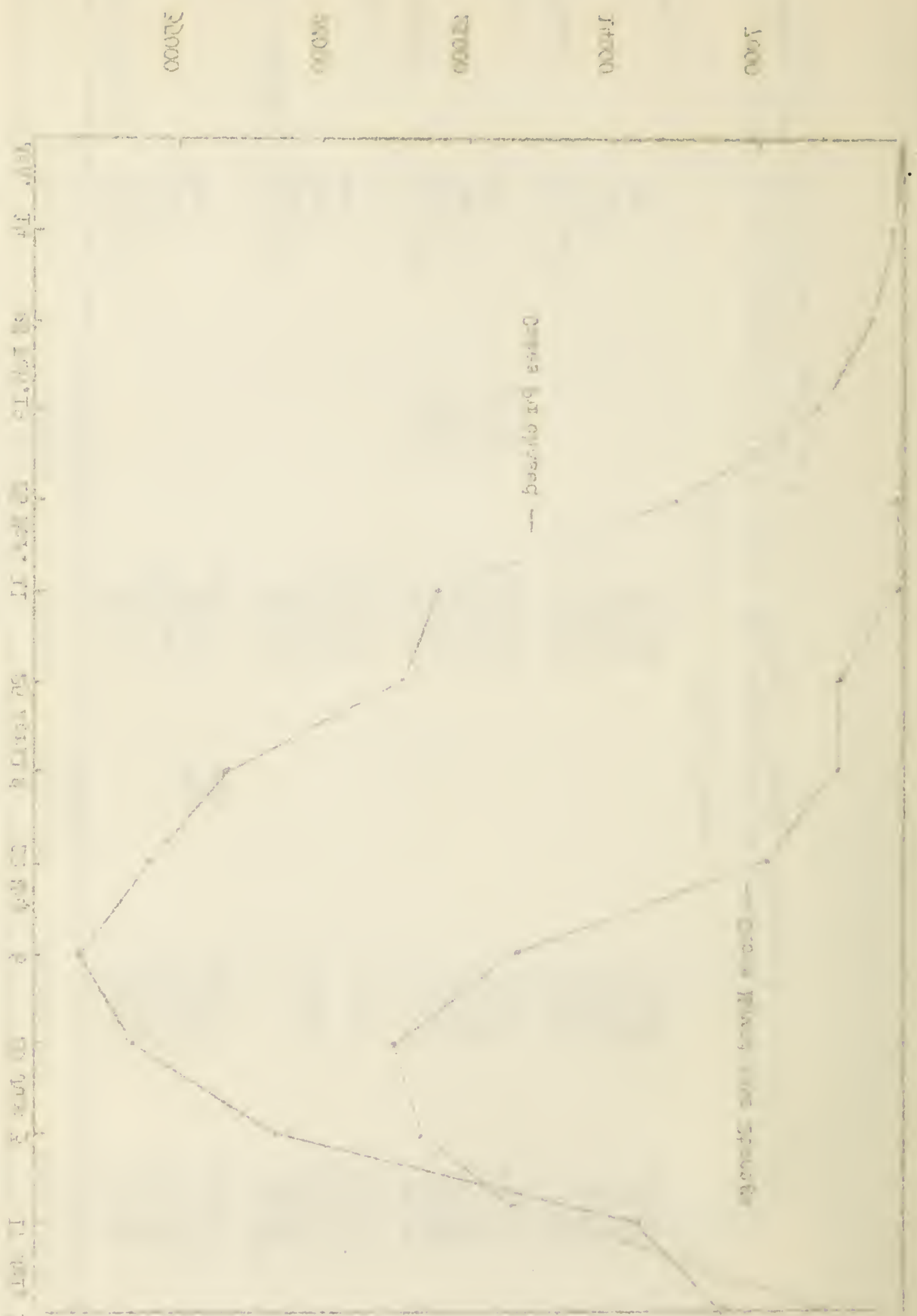
1. The Department of the Interior is not authorized to acquire land for the purpose of establishing a national monument.

SHELL EGGS PURCHASED AND STORED  
 1944  
 SOUTHERN REGION CONSUMER GRADE PROGRAM  
 BI-WEEKLY, JANUARY 1 TO JULY 1

- 27 -

35000  
 28000  
 21000  
 14000  
 7000

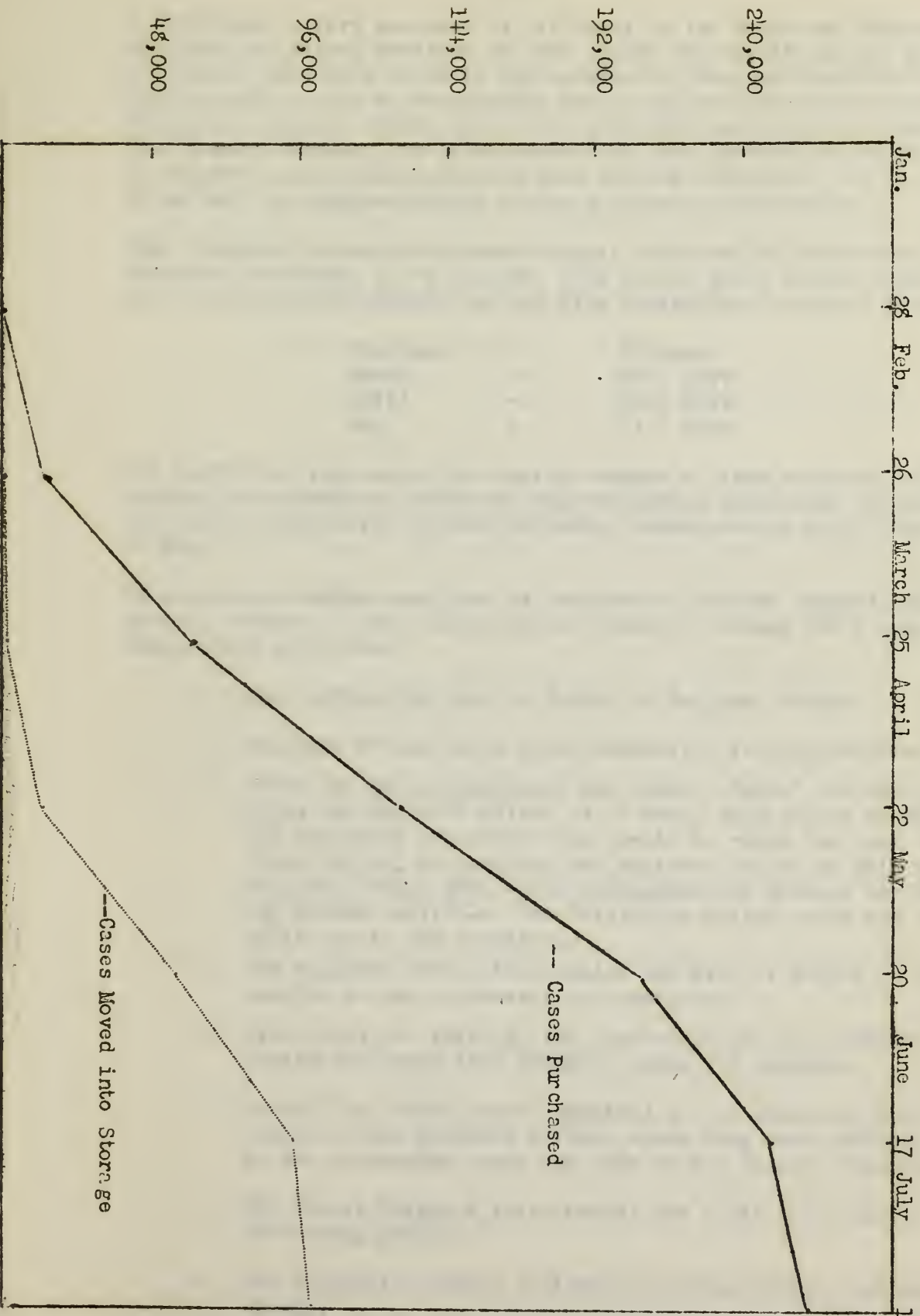


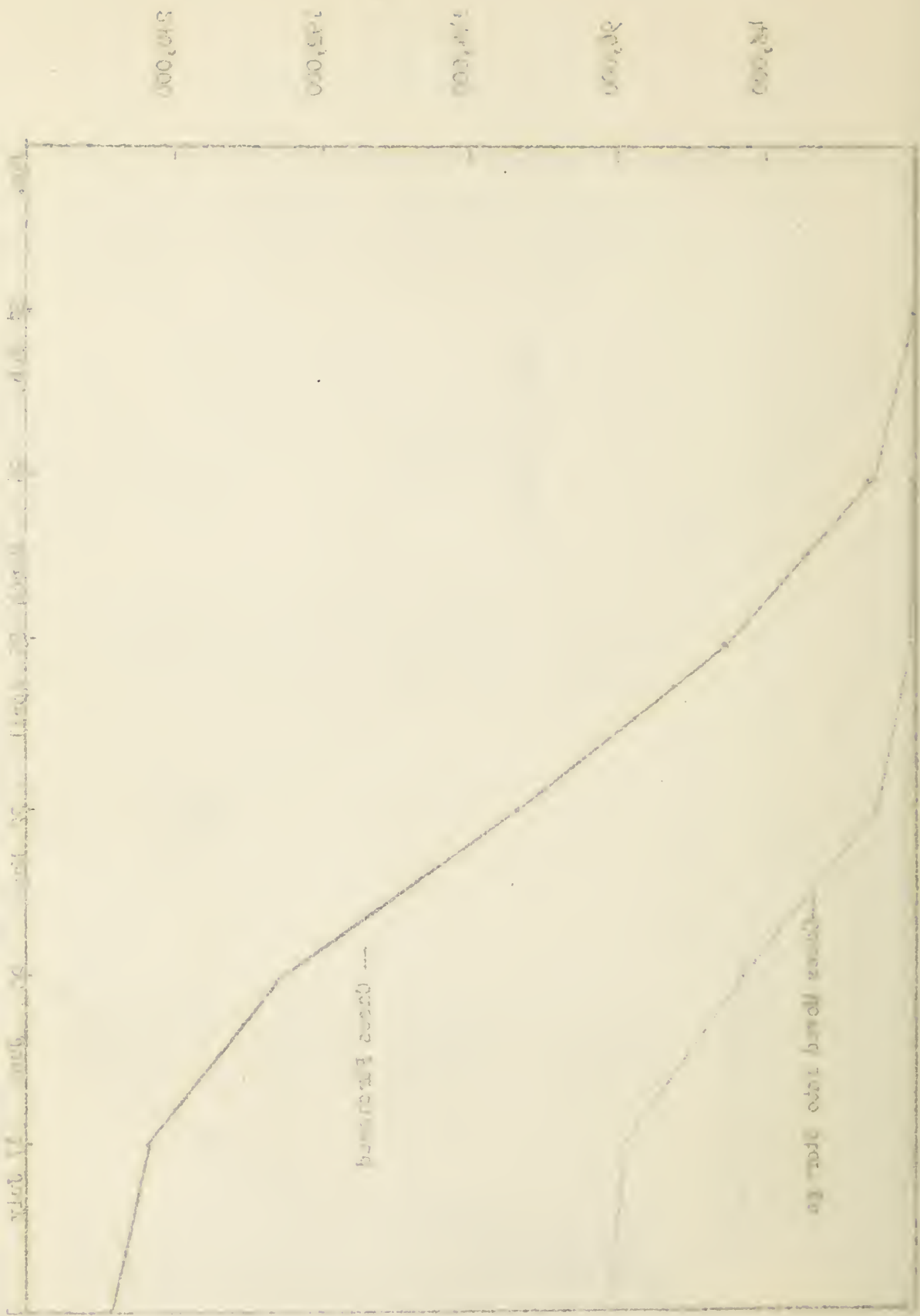


ELEMENTARY, MATHS 1 TO 10  
 THE FOLLOWING SECTION CONTAINS THE  
 ANSWERS TO THE QUESTIONS



SOUTHERN REGION CONSUMER GRADE PROGRAM  
 Cumulative Egg Purchases, and Movement into Storage  
 Monthly, from January 1 to July 1





Income from 1910 to 1911  
Income from 1911 to 1912

## PAYMENT

A determined effort was made by officials of the Dairy and Poultry Division and the Fiscal Division of this office to expedite prompt payment on all claims submitted on snell egg purchases. Everyone realized this one factor could easily be responsible for a contractor's success or failure with this program. While the record made this past year is a creditable one in some respects, it is believed that much improvement could be made to expedite more prompt payments next year on purchases. First, however, it is well to examine results of the past year's operations.

Time required to receive payment on eggs purchased by the Office of Distribution by months is as follows: (The period given is one between the date the eggs were offered and the date contractors received their checks)

February	-	33 days
March	-	25.7 days
April	-	24.3 days
May	-	21.1 days

The above data represents the average amount of time required to clear payment on a sample of sixty-one representative purchases, of which nine were made in February, fifteen in March, twenty-two in April and fifteen in May.

To understand why so much time is required to receive payment, you should grasp a picture of the administrative channels through which each purchase transaction must pass.

1. Eggs offered by wire or letter to Regional Office
2. Regional Office wires State Supervisor for disposition of eggs
3. After the State Supervisor has found a "home" for the eggs, he wires the Regional Office as to where they can be distributed. (If the state supervisor was unable to place the eggs by direct distribution, he notified the Regional Office to this effect. The Regional Office then wired Washington for storage and when storage became available, the Washington Office wired the Regional Office as to its location.)
4. The Regional Office then mailed the bill of lading or consignee's receipt to the contractor or consignee.
5. After eggs are shipped, the contractor has the evidence of delivery and would then submit a claim for payment.
6. Claims for payment were submitted to the Dairy and Poultry Division of the Regional Office, where they were audited, signed by the purchasing agent and sent to the Fiscal Division.
7. The Fiscal Division again audits the claim and sends it to the Disbursing Office.
8. The Disbursing Office reviews the claims, writes and mails the checks.

Actually under this administrative procedure each offer must be handled a total of eight times, and in this process it passes through seven different offices.





Considerable difficulty was encountered this past year with incorrect and incomplete claims for payment that were received from contractors. When the egg purchase program first started, each contractor was sent a letter explaining the forms required for a complete claim and a sample copy of the voucher. Soon it became evident that more complete instructions on this subject were necessary. Therefore, on March 30, the following memorandum was sent to contractors explaining in a very simple manner each step to follow in making a claim for payment.

INSTRUCTIONS TO SHELL EGG CONTRACTORS

To: Shell Egg Contractors

From: L. T. Wells, Acting Chief, Dairy and Poultry Division

Subject: How to Offer Eggs to W. F. A.

1. You should offer eggs only after they have been graded and inspected by an authorized representative of the Federal Inspection Service. Egg purchases are based upon Consumer Grades specified in periodic price announcements that are mailed to you by the supervisor for your State Office of Distribution.
2. After eggs have been properly graded and inspected, complete the following wire and sent to: Regional Director, Office of Distribution, Tenth Floor, Western Union Building, Atlanta 3, Georgia. "OFFER YOU ( ) CASES EGGS UNDER (CONTRACT NUMBER) ( ) GRADE A LARGE, ( ) GRADE B LARGE, ETC." It is permissible for you to send your offer by letter. Since the letter will be received by the Atlanta office usually from two to three days later than a wire, shipping orders and payment will also be delayed by a proportionate period.
3. All offers will be accepted subject to conditions set forth in your Shell Egg Agreement with the War Food Administration.

PREPARATION OF CLAIMS FOR PAYMENT UNDER THE 10-CASE EGG PROGRAM

After a contractor makes a claim for payment on eggs purchased by the War Food Administration, how much time will it take before he receives his check? You can answer this question more accurately than any official of the War Food Administration because the true answer depends upon the accuracy of claims submitted. When accurate claims are submitted, you should have your check within two weeks from the date it was mailed.

Before sending your claim to the Office of Distribution, your time will be well spent by taking at least ten minutes to check your claim by the outline given in this memorandum.

A claim for payment on eggs consists of four documents: Voucher, Egg Grading Certificate, contractor's declaration, and Consignee's Receipt or bill of lading showing disposition of the eggs. The first three documents can and should be prepared on the day the eggs are inspected.



...the following difficulty was encountered this past year with inspectors and inspectors claims for payment and were received from contractors. When the egg purchase program first started, each contractor was given a letter explaining the terms required for a complete claim and a sample copy of the voucher. From it became evident that many companies had based on this subject were necessary. Therefore, on March 20, 1941, a letter explaining was sent to contractors explaining the very simple manner with which to fill in within a claim for payment.

INSTRUCTIONS TO SHELL EGG SUBMITTERS

Shell Egg Contractors

L. J. Smith, Acting Chief, Dairy and Poultry Division

Subject: New to Give Eggs to U. S.

1. You should place eggs only after they have been graded and inspected by an authorized representative of the Federal Inspection Service. The purchase is based upon Government Grade as established in current price announcements that are mailed to you by the Department for your State Office of Inspection.

2. Eggs must have been properly graded and inspected, stamped and labeled with the Federal Inspection Office of Inspection, U. S. Department of Agriculture, Washington, D. C. (Grade - Large, J, or Small, etc.). Eggs must be packed in the manner specified by the Department and will be received by the Federal Inspection Service and will also be inspected by a representative of the Federal Inspection Service.

3. All claims will be accepted subject to conditions set forth in your State Department with the New Egg Regulations.

EXPLANATION OF CLAIMS AND PAYMENT UNDER THE EGG PROGRAM

After a contractor places a claim for payment in the pouch provided by the U. S. Department of Agriculture, the claim will be taken before an inspector. The inspector will check this claim and if it is correct, he will sign the claim and forward it to the Department of Agriculture. The Department will then check the claim and if it is correct, it will be paid to the contractor. The contractor will then receive the money for the eggs.

Before sending the claim to the Office of Inspection, you must fill in the claim and attach the voucher. The claim must be filled in by the contractor and the voucher must be filled in by the inspector. The claim must be filled in by the contractor and the voucher must be filled in by the inspector. The claim must be filled in by the contractor and the voucher must be filled in by the inspector.



The last document cannot be prepared until the eggs are delivered. Your claim should not be submitted until the fourth document is received. This will be a consignee's receipt or a copy of the bill of lading.

If any of these four documents are missing or made out incompletely or incorrectly, your check cannot be issued. We suggest that you check off the items noted below as you complete them. Everything which you fill in must be done by typewriter or in indelible pencil or ink. All signatures must be with indelible pencil or ink.

PUBLIC VOUCHER - PURCHASE PROGRAMS (SMA-120)

In preparing your voucher please follow the outline given in the attached sample voucher. Each number corresponds with the number shown on the sample voucher. Before mailing this form, please check each of the eighteen points listed below.

1. Your voucher will usually be prepared at your place of business. List only the name of your town and state.
2. Date. The date the voucher was typed.
3. The name of your firm. This should also be the name that appears on your contract. Names listed under 3 and 4 will appear on the check.
4. Lienholder. If a copy of this voucher is given to the bank as security for a loan, the name of the bank or individual who loaned the money should appear in this space.
5. Payee's address. Your address as it appears on your contract.
6. Address to which the check should be mailed. Check may be mailed either to the contractor or bank. The one shown is optional.
7. Date eggs were offered to WPA.
8. Program number and title is "K-43a (Shell Eggs)".
9. List the date your contract was accepted and approved.
10. The contract number appearing on your Shell Egg Agreement.
11. The delivery order number appears on the Consignee's Receipt or bill of lading. It will be in "SN" series such as, SN-544.
12. Under "Description of Transaction" list the number of cases, grade and size. This information must correspond with that shown on the egg grading certificate. Under "Quantity" list the number of dozen in each grade. Under "Unit" show "doz.". "Amount Claimed Per Unit" shall be the effective support price on the date the eggs were offered to the Office of Distribution. Now multiply the number of dozen by the amount claimed per dozen to arrive at the total amount claimed on each grade.



13. Show the handling charge and total number of cases. The handling charge per case is \$1.50 for country buyers and \$1.80 for centralized shippers. The total number of cases on which a handling charge is claimed should not exceed the total of all grades shown on this voucher.
14. Add figures shown under "Amount Claimed" and list the total amount of your claim.
15. Date. The date on which you signed the voucher.
16. Vendor. The name of your firm as it appears on your contract.
17. By. The signature of an official of your company who is authorized to sign. This should be the person who signed the contract, if he is available.
18. Title. The title of the official of your company who signed.

COUNTRY BUYER'S DECLARATION (Prepare an original and three copies)

1. (a) In the space provided, list the dates you purchased eggs described on your voucher. For example, from March 15 to March 17.  
  
(b) The number of dozen in each grade should correspond with the number of dozen shown on the voucher.  
  
(c) Under "Grade and Size" list the grades and sizes shown on your voucher unless the eggs were purchased as current receipts. If they were purchased as current receipts, they should be listed as such in this column.  
  
(d) In the next column, "Price Paid Vendors," show the price you paid for each grade. If eggs were purchased as current receipts, the current receipt price should be shown.
2. Contract number is the one appearing on your Country Buyer's Shell Egg Agreement.
3. Contractor. List the name under which contract was accepted.
4. Authorized Agent. The person to whom the contract was issued should sign the declaration.
5. Address. Street and number.
6. Town and state in which contract is located.

CENTRALIZED SHIPPER'S DECLARATION (Prepare an original and three copies)

1. The serial number given on this declaration should be the same as that shown in the upper right hand margin of the voucher.



12. Since the handling charge and local number of cases. The bonds  
that charge are made as \$1.00 for country papers and \$1.00 for  
neutralized shipping. The local number of cases on which a  
bonding charge is claimed should not exceed the total of all  
goods shown on this voucher.

13. Add figures shown under "Amount claimed" and list the total amount  
of your claims.

14. Date. The date on which you signed the voucher.

15. Number. The name of your firm or its signature on your contract.

16. The signature of an official of your company who is authorized  
to sign. This should be the person who signed the contract,  
if he is available.

17. Title. The title of the official of your company who signed.

COUNTRY PAPER'S REGISTRATION (Paper as claimed and three copies)

18. (a) In the space provided, list the dates you purchased paper  
described on your voucher. For example, from March 10 to  
March 17.

(b) The number of sheets on each roll should correspond with  
the number of sheets shown on the voucher.

(c) Under "Date and Size" list the dates and sizes shown on  
your voucher which the paper was purchased as country  
paper. If they were purchased as neutral receipts, they  
should be listed as such in this column.

(d) In the last column "Price Paid for Paper" show the price you  
paid for each grade. If paper was purchased as country  
paper, the country receipt price should be shown.

19. Country number in the one column on your Country Paper's  
Small Receipts.

20. Comments. List the name and address of the person who  
received the paper.

21. Signature. The signature of the person who  
signed the registration.

22. Location. Name and address.

23. Date and place in which contract is made.

REGISTRATION OF RECEIPTS (Paper as claimed and three copies)

24. The receipt number shown on this registration should be the same  
as that shown on the country receipt from which the paper was  
received.

2. This is the number appearing on the first page in the upper margin of your centralized shipper contract. It will be in the AMA (M) series.
  3. Declarations from each country buyer contractor from whom eggs were purchased must be attached. Please check each declaration to be sure your country buyers paid support prices. You should also check to see that the total number of dozen shown on all Country Buyers' Declarations is equal to or greater than the number of dozen for which payment is claimed on your voucher.
  4. Contractor. The name under which your centralized shipper contract was approved.
  5. Authorized Agent. This person should be the same one who signed the voucher.
- 6.&7. List your street, town and state.

These instructions cover the preparation of three documents. Other necessary forms will be given to you by the egg inspector, and mailed to you from the Atlanta Office.

Assemble forms when country buyers make claim for payment as follows:

- Voucher - original and five copies
- Declaration - original and three copies
- Egg Grading Certificate (FPI-27) - original and three copies

Now detach the last copy of each above-mentioned form. These copies are for your files. Attach the original and one copy of the Consignee's Receipt (Form 516) or the two yellow copies of the bill of lading which you received from the person to whom you delivered the eggs.

Your complete claim should consist of the following:

1. Public Voucher-Purchase Program (SFA-120)-original and four copies
2. Egg Grading Certificate (Form FPI-27)-original (white) and two green copies
3. Country Buyer's Declaration - original and two copies
4. Consignee's Receipt (Form 516)-original and one copy. If the eggs were shipped by rail or truck, you should have two yellow copies of the bill of lading covering each shipment or delivery represented in the total number of cases for which payment is claimed.

The above documents should be mailed to the Regional Director, War Food Administration, Office of Distribution, Tenth Floor, Western Union Building, Atlanta 3, Georgia.

Forms submitted with claims of centralized shippers should be the same as for country buyers except in addition the original and two copies of Centralized Shipper's Declaration should be attached.

You should prepare the above-mentioned forms for each offer of eggs you made by wire or letter to the WFA.

Approved:

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L. T. Wells, Acting Chief  
Dairy and Poultry Division

---

W. K. McPherson, Deputy Regional Director

2. This is the number appearing on the first page in the upper margin of your certificate and/or contract. It will be in the form of a (N) letter.

3. The information from each country must be accompanied by a copy of the certificate and/or contract. Please check with the relevant authority to see that the total number of copies is correct. The number of copies for which payment is claimed on your contract.

4. Contract. The name under which your contract was entered into. This must be approved.

5. Authorized Agent. This person should be the same one who signed the contract.

6. List your name, title and address.

These instructions cover the preparation of your documents. Other necessary forms will be given to you by the relevant authority, and will be sent from the relevant office.

7. Details of the contract and/or contract should be given as follows:

Contract - original and two copies  
Description - original and two copies  
See Section 1 (1) - original and two copies

Now attach the first copy of each document to the contract. These copies are the original and the copy of the contract. The original and the copy of the contract should be attached to the first copy of the contract. The original and the copy of the contract should be attached to the first copy of the contract.

Now complete the contract and/or contract and the contract.

1. Public Contract-Contract (Form P-1) - original and two copies

2. See Section 1 (1) - original and two copies  
Form P-1

3. Country's Contract - original and two copies

4. Country's Contract (Form P-1) - original and two copies. If the contract is not attached to the contract, you should have two copies of the contract. The original and the copy of the contract should be attached to the first copy of the contract. The original and the copy of the contract should be attached to the first copy of the contract.

The contract should be attached to the contract. The contract should be attached to the contract. The contract should be attached to the contract. The contract should be attached to the contract. The contract should be attached to the contract.

Form P-1 should be attached to the contract. Form P-1 should be attached to the contract. Form P-1 should be attached to the contract. Form P-1 should be attached to the contract. Form P-1 should be attached to the contract.

The contract should be attached to the contract. The contract should be attached to the contract. The contract should be attached to the contract. The contract should be attached to the contract. The contract should be attached to the contract.

By the Secretary, General  
Secretary and General

Secretary

1. A. Secretary, General



(Submit in triplicate)

COUNTRY BUYER'S DECLARATION

I/We certify that between the dates shown below we purchased the listed quantities of shell eggs from vendors on the grade specified or as current receipts, as indicated, paying not less than the price specified herein.

Date	From to	Date	: Number : Dozen	: Grade : and Size	: Prices Paid : Vendors
(1a)	:	(1a)	: (1b)	: (1c)	: (1d)
:	:	:	:	:	:
:	:	:	:	:	:
:	:	:	:	:	:
:	:	:	:	:	:
:	:	:	:	:	:
:	:	:	:	:	:
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:	:	:	:	:	:
:	:	:	:	:	:
:	:	:	:	:	:
:	:	:	:	:	:

We have graded and had inspected all shell eggs listed above and have packed them in good used or new standard wood or standard fiber egg cases, each containing 30 dozen eggs purchased in accordance with the terms and conditions of Shell Egg Contract No. (2).

I/We hereby certify that the above statements have been examined by me/us and to the best of my/our knowledge and belief are true and correct.

\_\_\_\_\_  
Contractor

\_\_\_\_\_  
Authorized Agent  
(Person signing this statement)

\_\_\_\_\_  
Address

\_\_\_\_\_  
Town and State

(Signed in duplicate)

COUNTRY COMMERCE DECLARATION

I, the undersigned, hereby declare that the above is a true and correct statement of the facts and circumstances relating to the above, and that the same are true and correct to the best of my knowledge and belief.

From	To	Port	Origin	Grade	Product
(1)	(2)	(3)	(4)	(5)	(6)

to be true and correct, and that the same are true and correct to the best of my knowledge and belief, and that the same are true and correct to the best of my knowledge and belief.

I, the undersigned, hereby declare that the above is a true and correct statement of the facts and circumstances relating to the above, and that the same are true and correct to the best of my knowledge and belief.

Signature \_\_\_\_\_

(Signed in duplicate)

\_\_\_\_\_

\_\_\_\_\_

(Submit in triplicate)

CENTRALIZED SHIPPER'S DECLARATION

I/We certify that all eggs described in the voucher hereto attached bearing Serial No. (1) were purchased from authorized country buyers in accordance with the terms and conditions of our Centralized Shipper's Contract No. (2), and that they are the same eggs described in the Country Buyer's Declaration attached hereto which show that the support price was paid. We have graded and had inspected all shell eggs mentioned above and have packed them in good used or new standard wood or standard fiber egg cases, each containing 30 dozen eggs.

I/We hereby certify that the above statements have been examined by me/us and to the best of my/our knowledge and belief are true and correct.

(4) Contractor

(5) Authorized Agent  
(Person signing this Statement)

(6) Address

(7) Town and State



(Submit in triplicate)

CENTRALIZED SHIPPER'S DECLARATION

I/We certify that all eggs described in the voucher hereto attached bearing Serial No. (1) were purchased from authorized country buyers in accordance with the terms and conditions of our Centralized Shipper's Contract No. (2), and that they are the same eggs described in the Country Buyer's Declaration attached hereto which show that the support price was paid. We have packed and had inspected all shell eggs mentioned above and have packed them in good used or new standard wood or standard fiber egg cases, each containing 30 dozen eggs.

I/We hereby certify that the above statements have been examined by me/us and to the best of my/our knowledge and belief are true and correct.

(4) \_\_\_\_\_  
Contractor

(5) \_\_\_\_\_  
(Person signing this statement)  
Authorized Agent

(6) \_\_\_\_\_  
Address

(7) \_\_\_\_\_  
Town and State







Upon careful examination of this memorandum, you find that a complete claim for payment consisted of four different forms for a country buyer and five for a centralized shipper. This relatively large number of forms to be submitted with a claim for payment was the reason some "inactive contractors" believed the purchase program required too much "red tape." Is such an assertion justified? Can the program be operated with fewer forms? Were the forms used complicated?

Considerable thought was given to these questions before the program started and a sincere effort was made to simplify this phase of the program. To obtain payment on the consumer grade eggs, it was necessary for the payee to show he had fulfilled terms of the contract under which they were purchased. This was accomplished by submitting a grading certificate, issued by an authorized inspector, giving definite and accurate information as to the quality of eggs for which payment was claimed. These forms, of course, were completed by the grader, and given to the contractor. The contractor was also required to show he paid producers support prices for eggs he sold to the Office of Distribution. He did this by completing the country buyer's declaration. This form was short, simple, and easy to understand. Before a firm can receive payment on a purchase by the Federal Government, it is necessary that he "ask for it." The voucher is recognized as the means by which this request, if justified, can be granted. The remaining form to be submitted by a country buyer is the consignee's receipt or bill of lading. Submission of either of these forms properly completed constitutes evidence of delivery and indicates the eggs are no longer in possession of the contractor, and that he is relieved of further responsibility for their proper care. If eggs are purchased from a centralized shipper, the claim should be accompanied by a centralized shipper's declaration, which is simply a certification that the eggs were purchased in accordance with terms and conditions set forth in the centralized shipper contract.

From this brief description of the forms used, the fact that each had a definite purpose may readily be understood.

#### Recommendations

1. A uniform plan for the Region should be developed to enable the contractor to claim payment for the eggs as soon as they are purchased by the Government rather than until after the eggs have been shipped.
2. A still better plan would be one under which the contractor, upon presentation of proper forms on a purchase to his local bank, could receive payment immediately.
3. Features of the country buyer's declaration are and should be incorporated in the voucher used next year.





## PRICE REPORTS

### Method of Collecting Price Data

Complete information as to egg prices paid farmers is not available in the South, and some of the information that is available has been found unreliable. For this reason, a plan was worked out by the Dairy and Poultry Division in cooperation with the Program Appraisal Division, to secure price data from more than 100 selected points in every state throughout the Region. This plan is described on pages 42 and 43 under "Instructions for Making Weekly Reports on Egg Prices," dated February 11, which is accompanied by the reporting form used by Area Supervisors in sending this information to the State and Regional Office. On page 45 you will find instructions given to the area men in South Carolina by the State Supervisor that will illustrate the manner these reports were obtained.

A weekly summary was made of these reports, copies of which were sent to the Dairy and Poultry Branch of the Washington office. Sample of summary below:

#### WEEKLY EGG PRICE SUMMARY May 15-20, 1944

The Egg Market Summary for the week of May 15-20, 1944, is based on 175 reports from all of the states in the Region.

The prices on current receipt eggs in Alabama for the most part remained unchanged. However, the highest price reported this week was 33 cents in comparison with 30 cents the week earlier, but the average for the week remains at about 25 cents. Dealers in Florida reported very little change in the price with the average continuing at 30 cents. The market was firmer in some areas where there was a strengthening in demand. Georgia reports which are largely on current receipt eggs only showed a slight decrease at some points. Receipts continue to be equal to the demand in most of the smaller towns. The average price for the week remained at about 25 cents.

Kentucky egg prices were slightly stronger at some points with an average for the week of 25 and 26 cents. Several Mississippi points reported small increases in prices, but on the whole they remained unchanged at around 25 cents. Dealers report an increase in the percentage of bad eggs as the weather becomes warmer. This loss was reported by one dealer to have been passed on to the consumer by charging a 5 cent higher retail price. Reports from dealers in North Carolina showed a decrease in price paid for current receipts at several points. A store in Asheville, which paid producers 36 cents last week for current receipts lowered their price to 30 cents. The average price for the state, however, remained at around 27 cents. Not enough reports were received from South Carolina to give a satisfactory state summary. Reports from Tennessee showed some weakening in prices with a large number of stores reported to be paying 20 cents this week. Dealers in Greenville and Morristown, however, stated that there had been some strengthening at those points due to the Price Support Program. The average price indicated by the reports received was 22 cents. There was very little change in the price of eggs in Virginia this week, the average running around 25 cents.





TABLE No. 7

SUMMARY OF EGG PRICES  
Southern Region  
May 15-20, 1944

	Number Reports	Highest Price	Town Reporting	Lowest Price	Town Reporting	Modal Price
Alabama - 11 reports						
Prices paid producer	10	38	Demopolis	22	Hamilton	25
Current receipts						
Grade A large	2	35	Birmingham	30	Ozark	
Prices paid by consumer						
Current Receipts	8	38	Demopolis	25	Several	
Grade A large	3	40	Montgomery	35	Ozark	
Florida - 19 reports						
Price paid producer	6	33	Tampa	29	Jacksonville	30
Current receipts						
Grade A large	16	38	Several	32	Several	
Price paid consumer						
Current receipts	3	35	Marianna	33	De Funiak Spr.	
Grade A large	15	48	W. Palm Beach	37	Gainesville	
Georgia - 42 reports						
Price paid producer						
Current receipts	35	35	Darien	23	Several	25
Grade A large	8	40	Perry	31	Montezuma	
Price paid by consumer						
Current receipts	33	40	Several	25	Ellijay	
Grade A large	11	45	Several	33	Montezuma	
Kentucky - 13 reports						
Price paid producer						
Current receipts	12	28	Winchester	23	Madisonville	25-26
Grade A large	2	31½	Lexington & Winchester	--	--	
Price paid by consumer						
Current Receipts	12	35	Corbin	25	Madisonville	
Grade A large	1	39	Lexington	--	--	





	Number reports	Highest price	Town reporting	Lowest Price	Town reporting	Modal price
Mississippi - 16 reports						
Price paid producer						
Current receipts	14	30	Rosedale	22	Batesville	25
Grade A large	2	31	Starksville	30	Batesville	
Price paid by consumer						
Current receipts	13	40	Jackson	28	Several	
Grade A large	0	-	-	-	-	
North Carolina - 24 reports						
Price paid producer						
Current receipts	22	30	Asheville	18	Boone	27
Grade A large	5	35	Asheville	32	Several	
Price paid by consumer						
Current receipts	18	36	Goldsboro	24	Boone	
Grade A large	5	42	Asheville	39	Several	
South Carolina - 5 reports						
Price paid producer						
Current receipts	5	30	Ridgeland	25	Several	No Modal
Grade A large	-	-	-	-	-	
Price paid by consumer						
Current receipts	4	35	Jasper & Orangeburg	27	Saluda	
Grade A large	-	-	-	-	-	
Tennessee - 30 reports						
Price paid producer						
Current receipts	25	27	Several	20	Several	20-22
Grade A large	-	-	-	-	-	
Price paid by consumer						
Current receipts	25	35	Nashville	20	Madisonville	
Grade A large	-	-	-	-	-	
Virginia - 15 reports						
Price paid producer						
Current receipts	9	27	Richmond	23	Lynchburg	25
Grade A large	7	32	Several	28	Blacksburg	
Price paid by consumer						
Current receipts	6	35	Richmond	25	Lynchburg	
Grade A large	2	45	Richmond	36	Blacksburg	

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These reports served a worth-while purpose by pointing out areas of low prices and by giving current information in regard to local egg markets obtainable through no other source. During the surplus egg season they proved very helpful for administrative purposes. A summary of information given on these reports is graphically presented by charts on pages 11 through 20.

Although we have pointed out that these reports were helpful in many ways, our experience with them brought to our attention certain weaknesses of this system. Each Area Supervisor obtained price reports from one dealer in each of the designated towns. One report from a town is insufficient to accurately establish an average price paid all producers in that locality. For example, a grocery store in an Alabama town from which the Area Supervisor secured price data, paid 20 cents per dozen for current receipt eggs, while at the same time a very reliable dealer in this town who had a contract with this office was purchasing current receipt eggs from producers at 27 cents per dozen. The volume of eggs purchased by this store was insignificant in comparison to the volume purchased by our contractor.

You will notice upon examination of the charts on pages 11 through 20 that these reports did indicate significant price trends. In most instances they were lower than prices reported by the B. A. E. This is justifiable in view of the fact B. A. E. prices represented the average price received by farmers, whereas, those sent to us by Area Supervisors were prices being paid farmers only by the egg dealers.

#### Recommendations

Due to the reorganization of the Office of Distribution, it is necessary that we change the system of collecting egg prices. In view of this fact, we recommend that county and home demonstration agents be utilized to collect the data, and that a plan be worked out for county AAA committees to also collect this information wherever possible.

The accuracy of any price reporting system depends upon the number and coverage of these reports. Therefore, we recommend that each county in the Region be covered by enough reports to provide a true picture of prices farmers received for eggs.

Prices should be obtained from the better-known egg dealers in each locality rather than from a grocery store, for example, that would purchase only one case of eggs from the farmer per week.

We also recommend that the price reporting system operate throughout the entire year as well as during the period of peak egg production. Regular egg and poultry market news service is urgently needed in many terminal markets of the South.



These reports served a two-fold purpose by pointing out areas of low prices and by giving current information in regard to local egg markets. During the survey and season they proved very helpful for administrative purposes. A summary of information given in these reports is graphically presented by charts on pages 11 through 20.

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We also recommend that the price reporting system operate throughout the entire year as well as during the period of peak egg production. Regular and timely market news service is urgently needed in many localities at this time.

February 11, 1944

Instructions for Making Weekly Reports on Egg Prices

At the present time there is no accurate information from week to week as to egg prices in most points of the Region. In order to have a satisfactory price support program and to intelligently work with the many problems of egg marketing, it is essential that we have up-to-date and accurate reports of what producers in all parts of the Southeast are receiving for their eggs and what consumers are having to pay for them. Therefore, we are asking that a system of reporting prices paid to producers and paid by consumers be established.

Specifically this information is needed:

1. To obtain a clear picture of egg marketing conditions throughout the Region.
2. To have a definite check on the operation of the price support program.
3. To obtain current information as to the spread between producer and consumer prices.
4. To be able to suggest markets for eggs produced and offered for sale in areas where the price is unjustifiably low.

Method of Operation

1. The reporter will obtain regularly from one particular firm in the reporter's home town, the prices being paid producers by firms buying eggs for resale and prices which consumers are paying for eggs bought from persons other than producers. The designated towns have been carefully selected so that when the price reports are assembled for the Region, price data will be available from all types of production areas and various size markets.

None of the selected points may be changed without permission from the Regional Office. It is important that the two regular reports be obtained from the same firm each week and that each firm always report the price on the same quality eggs. This is necessary so that the data will be comparable from one week to another. Care should be taken to indicate in the space provided on the report form whether the quotation is from a regular reporter in one of the specified towns. It is requested that the reporter in his travels each week pick up additional reports from several other points in his area and submit these along with his regular reports. It is desirable that the reports be obtained for the latter part of each week and the date on which the report was made should be given in the space provided on the reporting form. The completed reports should be mailed each Saturday. Because of the urgent need for up-to-the-minute price data to facilitate the most satisfactory administration of the egg price support program, we are requesting that the reporter mail one copy of the completed price reports directly to the Regional Office at the same time that they send their price reports to their State Supervisor.



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1. The Western Hemisphere is an integral part of the world economy. It is not a collection of isolated islands. In order to have a balanced economy, it is essential that we have a free and open trade system. It is essential that we have a free and open trade system. It is essential that we have a free and open trade system.

[illegible]

1. To obtain a clear picture of the existing conditions throughout the country.
2. To have a definite check on the operation of the price program.
3. To obtain current information as to the spread between the consumer prices.
4. To be able to request markets for goods produced and shipped for sale in areas where the price is unduly low.

[illegible]

1. The Board will obtain testimony from the witnesses listed in the  
enclosed and from such other witnesses as it may deem proper.  
The Board will also obtain such other evidence as it may deem proper.  
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[illegible]



2. Particular care should be taken to ascertain on what basis of quality the eggs are purchased from the producers or are sold to the consumer. For example, if it is reported that a dealer is paying 36 cents per dozen, find out if this price is based on the removal of inedible or pullet eggs and then carefully enter this price opposite the correct heading on the reporting form. If a dealer reports that he is charging 45 cents per dozen to consumers for No. 1's, find out just what the dealer calls No. 1's and then on the report form under "other" in the column "Quality on which eggs were bought or sold" enter the heading No. 1's. Then in the space provided at the bottom of the page, it should be explained specifically what is meant by No. 1's. After such an explanation is once given of a specific term as used by one dealer and further reports are obtained from the same person, it will not be necessary to explain again the use of the term. However, if the same term is used by another dealer, it should be ascertained if the term is used to specify the same quality. If not, an explanation of the new use of the term should be given. Emphasis is put on this point because of the varied and loose terminology used in dealing in eggs.

3. If practical, one of the regular weekly reports should be made by a firm holding an FDA egg contract of either type. Care should be taken to place a check mark in the space provided on the reporting form to indicate which group the report is from.

4. In some instances there will be price reports to the effect that a dealer has been paying 32 cents per dozen for current receipts but he is not buying any eggs at the present time as he has all that he can use. Such reports should be noted in the explanation.

5. Under the heading "Explanation or Other Remarks" should be included in addition to any explanation to the reporting terminology used, any particular observations made on the price, supply, and movement of eggs.

6. Prices reported as paid by consumers may be regularly obtained from any retail store and not necessarily from the dealers from whom the producers paying prices were obtained.

7. Reporters should explain that the source of price data will be kept confidential.



## WEEKLY EGG PRICE REPORT

Supervisor \_\_\_\_\_ State \_\_\_\_\_ Area \_\_\_\_\_ Date \_\_\_\_\_

Quality on which eggs were bought or sold	Town _____ County _____	Town _____ County _____
	Date Reported _____ Contractor _____ Non-Contractor _____ Regular Reporter _____ Other _____	Date Reported _____ Contractor _____ Non-Contractor _____ Regular Reporter _____ Other _____
	Prices Paid Pro- ducers per dozen	Prices Charged Consumers per Dozen
Current Receipts		
Current Receipts		
Rots Out		
Current Receipts		
Smalls Out		
Large		
Rots Outs		
Medium		
Rots Out		
Small		
Rots Out		
Pullets		
or Small		
A - Large		
B - Large		
C - Large		
A - Medium		
B - Medium		
C - Medium		
A - Small		
B - Small		
C - Small		
Others:		
Explain*		

\*Explanation or other remarks:



DATE: \_\_\_\_\_ TIME: \_\_\_\_\_

NAME: \_\_\_\_\_ COUNTY: \_\_\_\_\_  
DATE: \_\_\_\_\_ TIME: \_\_\_\_\_  
LOCATION: \_\_\_\_\_  
TYPE: \_\_\_\_\_  
REMARKS: \_\_\_\_\_

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34	35	36	37	38	39	40	41	42	43	44	45	46	47	48	49	50	51	52	53	54	55	56	57	58	59	60	61	62	63	64	65	66	67	68	69	70	71	72	73	74	75	76	77	78	79	80	81	82	83	84	85	86	87	88	89	90	91	92	93	94	95	96	97	98	99	100
---	---	---	---	---	---	---	---	---	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	-----

SC-53  
2/19/44

WAR FOOD ADMINISTRATION  
Office of Distribution  
1401 Hampton Street  
Columbia 29, South Carolina

REPORTING EGG PRICES

It is necessary to have current information on egg prices from as many points in the state as possible in order to know the current conditions and problems and to secure data from which further plans can be made on a sound basis. At the present time there is no comprehensive week-to-week information on egg prices in South Carolina.

It is hoped that through the cooperation of interested parties weekly reports on the prices of eggs can be secured and in such a way that the data will be statistically sound and comparable.

There are attached instructions for the preparation of such reports and a sample copy of weekly egg price report form R2-67 to be used in making these reports.

Each county reporter is requested to mail her report to the proper WFA area office as shown below every Saturday until further notice. Only one double column will be used by any reporter in reporting eggs from her home city. Reports will be compiled for the area in the area office and a copy will be forwarded to Division of Markets, Extension Service, Calhoun Office Building, Columbia, South Carolina.

GREENVILLE AREA - (Reports from counties listed should be mailed to area office shown)

War Food Administration  
Box 1588  
Greenville, S. C.

Abbeville	Chester	Oconee	Union
Anderson	Greenville	Pickens	York
Cherokee	Laurens	Spartanburg	Greenwood

COLUMBIA AREA

War Food Administration  
1401 Hampton Street  
Columbia, 29, S. C.

Aiken	Fairfield	Lexington	Richland
Chesterfield	Kershaw	McCormick	Saluda
Edgefield	Lancaster	Newberry	

ORANGEBURG AREA -

War Food Administration  
Gen. Del., Orangeburg, S. C.

Allendale	Beaufort	Charleston	Hampton
Bamberg	Berkeley	Colleton	Jasper
Barwell	Calhoun	Dorchester	Orangeburg

FLORENCE AREA -

War Food Administration  
Agricultural Bldg., Florence, S. C.

Clarendon	Florence	Lee	Sumter
Darlington	Georgetown	Marion	Williamsburg
Dillon	Horry	Marlboro	

2/19/44  
 20-25

REPORTING EGG PRICES

It is necessary to have current information on egg prices from as many points as possible in order to know the current conditions and problems and to secure data from which further plans can be made on a sound basis. At the present time there is no comprehensive week-to-week information on egg prices in South Carolina.

It is hoped that through the cooperation of interested parties weekly reports on the prices of eggs can be secured and in such a way that the data will be statistically sound and comparable.

There are attached instructions for the preparation of such reports and a sample copy of weekly egg price report form RS-27 to be used in making these reports.

Each county reporter is requested to mail her report to the proper WPA area office as shown below every Saturday until further notice. Only one double report will be used by any reporter in reporting eggs from her home city. Reports will be compiled for the area in the area office and a copy will be forwarded to Division of Markets, Extension Service, Calhoun Office Building, Columbia, South Carolina.

GREENVILLE AREA - (Reports from counties listed should be mailed to area office shown)

Anderson	Chester	Union	War Food Administration
Greenville	Greenville	Pickens	Box 1588
Laurens	Laurens	Greenwood	Greenville, S. C.
<u>COLUMBIA AREA</u>			
Albany	Fairfield	Richland	War Food Administration
Cherokee	Marion	Saluda	1401 Hampton Street
Hampton	Hampton		Columbia 29, S. C.
<u>GREENSBORO AREA</u>			
Albany	Greenville	War Food Administration	
Greenville	Greenville	Gen. Del. Greenbury, S. C.	
Laurens	Laurens	Hampton	
<u>SPARTANBURG AREA</u>			
Anderson	Anderson	Union	War Food Administration
Greenville	Greenville	Pickens	Box 1588
Laurens	Laurens	Greenwood	Greenville, S. C.



## EFFECTIVENESS OF THE PROGRAM IN SUPPORTING PRICES

Sufficient data to make an accurate and concrete analysis of this subject is not available and therefore, conclusions reached are of a very general nature.

Many factors affect the price of eggs produced in the South, and it becomes very difficult to properly weigh the effect of each. Among such factors we would include (1) Consumer demand (2) Government purchases (3) Unusual problems resulting from war conditions and (4) Interstate movement of eggs.

Consumer demand for eggs continued strong in all southeastern states during the surplus months. More eggs were produced than could be used. Various agencies cooperated in a campaign to inform the public of the surplus egg problem. During June, for example, housewives were urged to buy an extra dozen eggs to store in the refrigerator. Some families likely substituted eggs for cheese and meat to a certain extent.

Purchases by the Government from drying plants, under the Southern Region Purchase Program, CCC 1810 Wholesale Grade Program and Current Receipt program had a stabilizing influence on prices throughout the Region. The effectiveness of each program varied considerably in different states. These purchases will be discussed more at length later.

The third factor mentioned was unusual problems resulting from war conditions. More people who live in town, raised backyard flocks during the past year. Production from such flocks not only supplied the owner's family with eggs, but during spring months enough eggs were produced to supply some to their neighbors. A large Tennessee dealer reported his sales to consumer outlets were normally about 1500 cases per week, but in May, sales to such sources had decreased roughly 50 percent. It does not appear logical that consumption of eggs dropped in proportion, therefore, a large number of consumers were undoubtedly getting eggs from "backyard flocks." This same condition was reported to exist in every southern state, although its effect usually was not so pronounced.

War conditions made rapid movement of eggs an especially difficult problem. Many dealers did not have the needed labor. Storages were packed and at certain times refrigerated storage space was almost impossible to find. Transportation facilities were being operated to full capacity and a delay in the movement of eggs sometimes resulted. Each of the problems mentioned has a direct influence on egg prices.

To get a reasonably clear conception of the average price farmers in southern states received for eggs, please consult Table No. 8 given below.

TABLE NO. 8 Average Prices Received by Farmers for Eggs in the Southern Region by States, 1944 \*

State	January 15	February 15	March 15	April 15	May 15	June 15
Alabama	45.3	32.9	27.4	24.2	25.2	26.8
Florida	51.0	36.7	30.3	30.0	31.6	32.8
Georgia	47.4	34.2	26.5	26.5	28.6	29.0

# EFFECTIVENESS OF THE PROGRAM IN STABILIZING PRICES

Insufficient data to make an accurate and complete analysis of this subject is not available and therefore, conclusions reached are of a very general nature.

Many factors affect the price of eggs produced in the South, and it is not easy to isolate the effect of each. Among such factors we would include (1) Government purchases (2) Government loans (3) Government interest (4) Unusual problems resulting from war conditions and (5) Government of eggs.

Government loans for eggs continued strong in all southeastern states during the surplus months. Eggs were produced then could be used. Various agencies attempted in a campaign to inform the public of the surplus and problem. During June, for example, housewives were urged to buy an extra dozen eggs in the refrigerator. Some families finally substituted eggs for cheese and meat to a certain extent.

Purchases by the Government from buying plans, under the Southern States Purchase Program, CCC 1810 (Wholesale Grade Program and Current Receipts) program had a stabilizing influence on prices throughout the season. The effectiveness of each program varied considerably in different states. This program will be discussed more at length later.

The third factor mentioned was unusual problems resulting from war conditions. More people who live in town, raised backyard flocks during the war years. Production from such flocks not only supplied the owner's family with eggs, but during spring months thousands were produced to supply them to their neighbors. A large Tennessee dealer reported his sales in commercial markets were normally about 1500 cases per week, but in May, sales in such sources had decreased roughly 50 percent. It does not seem likely that consumption of eggs dropped in proportion, therefore a large number of consumers were undoubtedly getting eggs from "back yard flocks." This same condition was reported to exist in every southern state. Although its effect usually was not as pronounced.

War conditions also had an effect on the availability of certain products. Many dealers did not have the needed labor. Supplies were scarce and as a result that a few needed stores were almost impossible to find. Governmental facilities were being operated to full capacity and a decrease in the movement of eggs sometimes resulted. Both of the previous items have a direct influence on egg prices.

To get a reasonably clear conception of the average price trends in southern states we have compiled Table 12. It is shown below.

TABLE 12. Average Prices Received by Farmers for Eggs in the Southern States, 1914 \*

State	1914	1915	1916	1917	1918	1919
Alabama	45.2	37.9	47.4	44.8	40.4	42.6
Arkansas	51.0	38.7	40.7	30.0	41.6	42.8
Georgia	47.4	44.8	45.8	30.8	42.8	42.0



Kentucky	33.4	30.1	28.1	24.0	25.1	26.8
Mississippi	46.2	32.7	27.0	24.5	25.3	26.2
North Carolina	44.1	33.8	29.6	26.8	26.4	27.2
South Carolina	49.0	37.3	29.1	28.1	28.1	29.3
Tennessee	36.0	31.2	28.5	23.8	24.9	26.8
Virginia	38.3	32.6	29.1	25.8	25.8	26.1

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\* Agricultural Prices - B. A. E.

Prices summarized by this office are graphically shown on pages 11 through 20. It is felt that announced support prices and actual purchases under the Program did a great deal to stabilize prices by removal of surplus eggs, thus preventing local market "gluts" that are so frequently accompanied by lower prices. To gain an impression as to the extent this stabilizing influence was felt in local egg prices after the consumer grade program was inaugurated we wish to offer three concrete examples. A competitor of Hickman's Hatchery, Gordo, Alabama was paying fifteen cents per dozen for eggs before this hatchery began purchasing eggs from farmers to offer to the Office of Distribution, graded according to consumer standards, under the Ten-Case Program. The day after Mr. Hickman posted prices he could pay for eggs under his contract, his competitor began paying 24 and 25 cents per dozen for current receipts.

In the Deland, Florida area, current receipt eggs were selling for 22 cents per dozen before one of our contractors started operating. After this contractor became active in this program the price farmers were paid for current receipt eggs very quickly increased to 30 cents per dozen. The situation at Sebring, Florida was much the same.

The price of eggs in Noxubee County, Mississippi increased from 15 cents per dozen to 24 cents per dozen because a farmers cooperative operated under a ten-case contract..

These examples indicate clearly the influence of the support program in certain local areas because they present a "before and after" picture.

There is another approach to the effectiveness of this program. Namely, how much would the farmer have received for his eggs if acute surpluses developed in his state — a greater surplus than could be handled by the price support machinery operating in that state? Egg prices held reasonably firm in Florida, Georgia, Virginia, North Carolina and South Carolina during the most critical period we faced during the entire surplus season, that is from about March 25 to April 10. We wish to point out that our purchases were larger in these states at this time than in the other states, as indicated by the fact that from March 25 to April 8 we purchased 33,000 cases of consumer grade eggs in the Region and approximately 85 percent were from these states.

A significant break in prices was observed in Alabama, Kentucky, Mississippi and Tennessee during this period as shown by graphs on pages 11 through 20. In these states, with the exception of Tennessee, some contractors were operating under the support program, but the volume of their purchases was not sufficient to maintain support prices throughout the state. These contractors, however, paid from 26 to 27 cents per dozen for



Alabama	28.5	28.5	28.5	28.5	28.5	28.5
Arkansas	28.5	28.5	28.5	28.5	28.5	28.5
California	28.5	28.5	28.5	28.5	28.5	28.5
Florida	28.5	28.5	28.5	28.5	28.5	28.5
Georgia	28.5	28.5	28.5	28.5	28.5	28.5
Illinois	28.5	28.5	28.5	28.5	28.5	28.5
Indiana	28.5	28.5	28.5	28.5	28.5	28.5
Iowa	28.5	28.5	28.5	28.5	28.5	28.5
Kansas	28.5	28.5	28.5	28.5	28.5	28.5
Michigan	28.5	28.5	28.5	28.5	28.5	28.5
Minnesota	28.5	28.5	28.5	28.5	28.5	28.5
Mississippi	28.5	28.5	28.5	28.5	28.5	28.5
Missouri	28.5	28.5	28.5	28.5	28.5	28.5
Montana	28.5	28.5	28.5	28.5	28.5	28.5
Nebraska	28.5	28.5	28.5	28.5	28.5	28.5
Nevada	28.5	28.5	28.5	28.5	28.5	28.5
New Hampshire	28.5	28.5	28.5	28.5	28.5	28.5
New Jersey	28.5	28.5	28.5	28.5	28.5	28.5
New Mexico	28.5	28.5	28.5	28.5	28.5	28.5
New York	28.5	28.5	28.5	28.5	28.5	28.5
North Carolina	28.5	28.5	28.5	28.5	28.5	28.5
North Dakota	28.5	28.5	28.5	28.5	28.5	28.5
Ohio	28.5	28.5	28.5	28.5	28.5	28.5
Oklahoma	28.5	28.5	28.5	28.5	28.5	28.5
Oregon	28.5	28.5	28.5	28.5	28.5	28.5
Pennsylvania	28.5	28.5	28.5	28.5	28.5	28.5
Rhode Island	28.5	28.5	28.5	28.5	28.5	28.5
South Carolina	28.5	28.5	28.5	28.5	28.5	28.5
South Dakota	28.5	28.5	28.5	28.5	28.5	28.5
Tennessee	28.5	28.5	28.5	28.5	28.5	28.5
Texas	28.5	28.5	28.5	28.5	28.5	28.5
Vermont	28.5	28.5	28.5	28.5	28.5	28.5
Virginia	28.5	28.5	28.5	28.5	28.5	28.5
Washington	28.5	28.5	28.5	28.5	28.5	28.5
West Virginia	28.5	28.5	28.5	28.5	28.5	28.5
Wisconsin	28.5	28.5	28.5	28.5	28.5	28.5
Wyoming	28.5	28.5	28.5	28.5	28.5	28.5

\* Agricultural Prices - B. A. E.

Prices mentioned by this office are graphically shown on pages 11 through 20. It is felt that announced support prices and actual purchases under the program did a great deal to stabilize prices by removal of surplus eggs. This is evident from the "fluctuations" that are so frequently accompanied by lower prices. To make an impression as to the extent this stabilizing influence was felt in local egg prices after the emergency trade program was inaugurated we wish to offer three concrete examples. A competitor of this State's Hatchery, Garbo, Alabama was paying fifteen cents per dozen for eggs before this hatchery began purchasing eggs from farmers to offer to the Office of Distribution, graded according to commercial standards, under the Tennessee Program. The day after Mr. Hickman posted notice he would pay for eggs under his contract, his competitor began paying 14 and 25 cents per dozen for current receipts.

In the Island, Florida area, current receipt eggs were selling for 25 cents per dozen before one of our correspondents started operating. After this competitor became active in this program the price farmers were paid for current receipts eggs very quickly increased to 30 cents per dozen. The situation in Sebring, Florida was much the same.

The price of eggs in Mexico County, Mississippi increased from 15 cents per dozen to 31 cents per dozen because a farmer's cooperative operated under a fair-trade contract.

These examples in fact clearly the influence of the support program in stabilizing local areas in which they present a "before and after" picture.

There is another approach to the effectiveness of this program. Nearly how much surplus have been removed from the eggs of surplus suppliers? In the first place — a market surplus then could be removed from the surplus without machinery operating in that state. Now a few days ago only in Virginia, Georgia, North Carolina and South Carolina during the first official period we looked within the entire surplus system, there is from about March 25 to April 10, 1935 to point out that our surplus was larger in that period of time than in the other states, as indicated by the fact that from March 25 to April 10 we purchased 25,000 cases of surplus eggs in the Nation and approximately 25 percent more than in any other period.

A significant break in prices was observed in Alabama, Kentucky, Illinois and Tennessee during this period as shown by prices on pages 11 through 20. In these states, with the exception of Tennessee, some surplus eggs were marketed under the support program, and the volume of their production was not sufficient to stabilize surplus prices throughout the entire country. However, paid from 25 to 35 cents per dozen for

current receipt eggs or announced support prices if the eggs were bought on grade, even though 18 and 20 cent prices prevailed in many areas of their state where contractors were not in operation.

The rapid price decline in these states at that time was caused by the accumulation of surpluses in their local and terminal markets. Why could such surpluses be moved immediately by government purchases? At that time the Office of Distribution was buying only graded eggs. Facilities for grading and inspecting a large volume of eggs were not available. Commercial channels in other states were unable to handle these eggs, nor was consumer demand sufficient to absorb the quantity of surplus eggs available. Consequently prices dropped. This condition proved that to cope with a surplus egg problem which can be relieved by a sound government purchase program, it is necessary that both cooperating government agencies and dealers build an adequate foundation for egg grading and inspection work previous to the development of a surplus.

Egg prices in Tennessee were lowest during months of high egg production where no contract buyers were operating, and consequently egg prices in this state were lower than those of other states in the Region.

Still another way to determine the effectiveness of the southern egg marketing program would be to ask dealers, extension workers and others their opinion as to what egg prices would have been were it not for this program. We have received numerous replies to this question, and present twelve that are typical below.

1. Producers Cooperative Exchange, Richmond, Virginia - "Eggs would be 15 cents per dozen were it not for this program which saved the farmer."

2. E. C. Alexander, Richmond, Virginia - "Eggs would be selling for 10 to 15 cents per dozen were it not for this program."

3. Stanley Munro, State Supervisor, Virginia - "The opinion has frequently been expressed by both the Extension Service, Federal-State Egg Grading Service, and representatives of the egg trade that the Ten-Cent Program established prices for eggs in Virginia this spring. During the conversation following such remarks a figure of from 13 to 15 cents is commonly named as being the price that eggs would have sold for had it not been for the operation of support programs."

4. Hartwell Ice Company, Hartwell, Georgia - "The program meant at least five cents per dozen on current receipts and ten cents on grade basis. The program served producers well."

5. Emanuel County Marketing Association, Swainsboro, Georgia - "If it were not for price support program, eggs would be selling for 15 cents per dozen. Purchased as much as 2000 dozen eggs from farmers in one week and paid 28 cents per dozen for current receipts and support price for graded eggs."

6. Poultryland Inc., Gainesville, Georgia - "If it were not for program eggs would have fallen to possibly ten cents per dozen. Wish program could be continued indefinitely."



...of eggs as announced support prices if the eggs were sold at  
...even though 18 and 20 cent prices prevailed in many areas of  
...their state where conditions were not in question.

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...This condition proved that to  
...which can be relieved by a sound govern-  
...it is necessary that both cooperative government  
...and private industry work together for the benefit of a supply.

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2. E. C. Alexander, Richmond, Virginia - "Eggs would be selling for  
...for this program."

3. County Board, State Supervisor, Virginia - "The situation has been  
...by the Extension Service, Federal-State Egg  
...the egg trade that the 19-20 cent  
...in Virginia this spring. During the  
...of them 12 to 15 cents in  
...the price that the egg would have sold for had it  
...of support program."

4. H. H. Lee, Hattiesburg, Mississippi - "The situation would be  
...on current receipts and the price on eggs  
...well."

5. County Board, Mississippi - "It  
...the price of eggs for 16 weeks  
...as much as 2000 boxes of eggs from farmers in the area  
...for current receipts and the price for  
...eggs."

6. Hattiesburg, Mississippi - "It is well known for months  
...the price of eggs was low. This program would  
...immediately."



7. Agricultural Marketing Board, Jacksonville, Florida - Area Supervisor reported, "The director of the Florida State Agricultural Marketing Board states in his opinion this purchase program has been most successful. Operated more smoothly than previous purchase programs, prevented a panic in the industry and was of untold value to producers."

8. F. A. Johnston, Monticello, Florida - "Has been very successful. Support Program has maintained prices at support levels which would otherwise have sold as low as 15 cents per dozen."

9. J. I. Surles, Madison, Florida - "Very fine program. Has prevented a glutted market and provided a ready market for all farmers that could not sell their eggs at support prices. Feel support program has also prevented the slaughter of at least one-half of the flocks in my area."

10. W. L. Lee and Son, Simpson County, Mississippi - "It has brought eggs from 20 cents to 30 cents. Like the program even though have not sold any to OD."

11. Farmers Federation Cooperative, Asheville, North Carolina - "Definitely in favor of the program. Feel that if program were not in operation in this area, eggs would be selling at 15 cents per dozen (producer price)."

12. Whitmire's Feed Store, Anderson County, South Carolina - "If it were not for the support program, very few producers would hold onto their flocks. Too, there would have been no outlet for producers' eggs, therefore, the price when sold would have been about 15 cents per dozen."

These firms paid producers from 26 to 30 cents per dozen for current receipt eggs during the period of greatest surpluses, or announced support prices for eggs purchased on consumer grades. Such information would indicate the producers' price per dozen was increased from 5 to 18 cents per dozen as a result of purchases under the 10-case consumer grade program. If the price farmers received for eggs was increased by an average of five cents per dozen as a result of the southern egg purchase program, an estimate which appears to be conservative in view of the information given above, then the increased return to producers in the nine southern states was about \$3,765,000 monthly during the period of peak egg production.

The consumer grade program is designed in such a way as to reflect support prices directly to the producers. This is accomplished by requiring the contractor to pay announced support prices for graded eggs. If the producer desires to sell his eggs on a current receipt basis, then the contractor is required to show the current receipt price paid on the Country Buyer's Declaration submitted with his claim for payment.





## DEVELOPMENT OF BETTER MARKET CHANNELS

For a number of years eggs were bought and sold in the South largely on a current receipt basis. Although this type of marketing program continues in most sections, it tends to encourage a great deal of speculative dealing and unscrupulous marketing practices.

It was necessary to build almost from the bottom in the majority of southern states when this program was started in 1943 because nearly all dealers were without facilities or personnel to handle eggs on a graded basis. In its first year of operation much improvement could be seen, although the improvement was still inadequate to properly support egg prices, except in certain localities.

This year some progress was made as indicated by the fact that in 1943 only 31 cars of eggs were purchased by the Food Distribution Administration on a basis of consumer grades, whereas, this year purchases increased to over 433 cars. When the graded program started a number of dealers felt farmers would not desire to sell their eggs on a graded basis and that if they encouraged them to do so, it would tend to create antagonism and cause them to sell their eggs elsewhere. Dealers in Kentucky serve as a good illustration of this point. A few years ago the Kentucky State Board of Health made an effort to enforce a law which required all eggs to be candled when purchased from the producer. In other words, no inedible eggs were to move through market channels. The produce dealer would candle all eggs and the loss would be reverted to producers. However, it was learned 100 percent enforcement of this law became extremely difficult. While some dealers were buying on a current receipt loss-off basis, others were continuing to purchase straight current receipt eggs. Therefore, producers felt that certain produce dealers were "docking" them on eggs while others were not. Under such circumstances farmers started selling eggs to produce dealers who did not candle them. Unfortunately dealers were paying the same prices for both candled and uncandled eggs. Those who complied with the Kentucky state law in many cases suffered a financial loss and reported their purchases sometimes decreased as much as 75 percent below normal. Therefore, these dealers hesitate to again participate in a grading program of any kind, and it is difficult for them to realize the Southern Region Consumer Grade Program offers a premium for good eggs rather than a penalty for bad eggs.

The plan whereby producers sell their eggs on a graded basis has progressed a great deal during the past year. This is indicated by the fact that a summary of information submitted on Country Buyers' Declarations with each claim for payment indicates that approximately 75 percent of all eggs purchased this year by the Office of Distribution under the Ten-Case Program were actually purchased from the producer on the basis of consumer grades. Of course, the accuracy of this figure can be questioned. However, after personal contacts with a number of dealers in several states, we find that most of them are encouraging producers to sell their eggs on consumer grades. A contractor in Lexington, Kentucky, for example, who started grading eggs only this year, reported that in February and March it was the desire of producers to sell eggs on the basis of Current Receipts. During April, May, and June more of them started selling eggs on the basis of grades. His current receipt price was 26 cents per dozen and producers who sold on grades received an average of  $28\frac{1}{2}$  cents per dozen. Therefore, by June 1 this contractor states his records would prove that over 80 percent of his present pur-



WITNESS STATEMENT ON BUTTER MARKET CHANNELS

For a number of years eggs were bought and sold in the South Atlantic on a market channel basis. Although this type of marketing operation has been in some sections, it tends to encourage a great deal of business between dealing and marketing organizations.

It was necessary to build a bridge from the bottom in the majority of cases in those where this system was started in 1933 because nearly all dealers were without facilities or personnel to handle eggs on a graded basis. In the first year of operation much improvement could be seen, although the improvement was still inadequate to properly handle the market, except in certain localities.

This year some progress was made as indicated by the fact that in 1934 only 51 cases of eggs were purchased by the Food Distribution Administration on a basis of consumer grades, whereas, this year purchased increased to over 100 cases. When the graded market started a number of dealers felt that they would not desire to sell their eggs on a graded basis and that if they attempted to do so, it would tend to create uneasiness among them and cause them to sell their eggs elsewhere. Dealers in Kentucky serve as a good illustration of this point. A few years ago the Kentucky State Board of Health made an effort to enforce a law which required all eggs to be candled when purchased from the producer. In other words, the State Board was to make through market channels. This program failed and while all eggs and the loss would be reverted to producers. However, it was found that 100 percent enforcement of this law became extremely difficult. While some dealers were paying on a credit basis, others were cash. There were complaints to purchase straight current receipt eggs. Therefore, producers felt that certain produce dealers were "double-dealing" from one side while others were not. Under such circumstances farmers stopped selling eggs to produce dealers who did not handle them. Unfortunately dealers were paying the same prices for both candled and uncandled eggs. There was conflict with the Kentucky State Board in many cases. Several financial loss and reported that some dealers were not paid as much as 75 percent below normal. Therefore, these dealers refused to make participation in a trading program of any kind, and it is difficult for them to realize the benefits of such a program. Some of the reasons for this are: (1) the fact that a dealer for his eggs.

The other heavily produced eggs are in a market for the has been... (The text is extremely faint and largely illegible in this section, appearing to be a continuation of the previous paragraph or a separate point.)

chases were made on a graded basis. He also stated in his opinion the grading service he offered created considerable good will among the producers that would make his business a more profitable one even after the sales to the Office of Distribution were discontinued. Reports we have received indicated that only a small percentage of eggs we have purchased from both Florida and Virginia were current receipts. In other states the percentage of eggs purchased on a graded basis increased as the program advanced.

The more progressive dealers in the Region are strong advocates of the graded program and there can be little question but what this program has done much to "break the ice" and establish a system of grading in many localities. Since graders have been trained, grading facilities established, and good will created for a consumer grade program, we believe much progress can be made in future years.

To indicate the extent to which market channels have been improved in certain areas, we wish to offer an example of how a contractor in Boaz, Alabama operates. This contractor operates a cheese plant, and therefore, has thirty-three milk routes covering a radius of thirty miles from his plant. When the egg program was announced this year, he signed a contract to purchase eggs and sell them to us on consumer grades. He trained personnel to grade eggs, and built racks on the side of his milk trucks to bring them from the farmer to his grading establishment. Then twice each month the producer received a check for eggs (payment was based upon announced support prices to the producer for consumer grades) and milk. This development occurred in a locality where eggs had always been brought and sold as current receipts previously.

We believe lasting improvement in the method of marketing eggs has been accomplished when dealers apply the same plan of operation to commercial sales as used under the purchase plan directed by Office of Distribution in cooperation with leaders of the southern poultry industry. When such a plan provides the leadership for a better and more sound graded program, intelligent planning and foresight is indicated. Since last spring 172 Dixie Home Stores and ten J. Drake Eden Stores in North and South Carolina sold consumer grade eggs that had been certified as to quality by Federal-State inspector. By offering eggs of known quality to their customers, these firms state their sales of eggs have increased considerably and they have obtained more good will from their customers. This movement will be discussed more in detail later. Further developments along this line are needed.

We have mentioned that the Southern egg marketing program was instrumental in training graders and influencing contractors to establish grading facilities. This change was accompanied by another development. Many contractors constructed or leased refrigeration facilities in which to store eggs between the time they were graded and the time shipping instructions were received.

Not all contractors from whom we purchased eggs had access to refrigeration facilities, however, participation in a quality program of this type made them more conscious of the value of good storage. Several are now making an effort to secure priorities for refrigeration equipment, hoping to be able to construct their own refrigeration facilities for the period of surplus production next year. We do not have accurate information as to



one was made on a graded basis. He also stated in his opinion the grading system he offered would be profitable and would allow the grower to make his business a more profitable one even after the cost of the Office of Distribution were discontinued. However we have received indicated that only a small percentage of eggs we have purchased from both Florida and Virginia were current receipts. In other states the percentage of eggs purchased on a graded basis increased as the program continued.

The more progressive dealers in the region are strong advocates of the graded program and have been able to little question but that this program has been a "break the ice" and establish a system of grading in many localities. Since markets have been trained, existing facilities remain intact, and good will created for a consumer grade program, we believe much progress can be made in future years.

To indicate the extent to which market channels have been improved in certain areas, we wish to offer an example of how a contractor in Georgia operated. This contractor operates a goose plant, and therefore has thirty-three milk routes covering a radius of thirty miles in a day. When the program was announced this year, he signed a contract to purchase eggs and sell them to us as consumer grades. He trained his men to grade eggs, and built racks on the side of his milk trucks to bring them from the farmer to his grading establishment. From each truck the producer received a check for eggs (payment was made soon after receipt of the producer's consumer receipt) and milk. This development occurred in a locality where he had always been present and sold his current receipts previously.

The graded feeding movement in the method of marketing eggs has been established when dealers apply the same plan of operation to their own sales as well as under the purchase plan directed by Office of Distribution in cooperation with leaders of the consumer poultry industry. When such a plan provides the dealer with a better and more secure graded program, it is a step in the right direction. Since last season 1935 there have been some and top 10,000 eggs in North and South Carolina sold under the plan that had been certified as to quality by Federal State inspectors. By offering eggs of known quality to their customers, these firms state their sales of eggs have increased considerably and they have obtained more and more from their customers. This movement will be continued and we expect to see further developments along this line in the near future.

It has been pointed out that the Southern and Western program was instrumental in training growers and distributors to establish a graded program. This change was accompanied by another development. Many distributors continued to handle a large number of eggs in which the eggs were between the time they were graded and the time shipping instructions were received.

For all distributors from whom we purchased, we had access to their grading facilities. However, participation in a grading program of this type made it more difficult for the sales of eggs to increase. Several are now making an effort to secure facilities for refrigerated storage, hoping to be able to protect their own refrigeration facilities for the period of a few weeks next year. We do not have accurate information as to



the number of firms purchasing eggs that have acquired refrigerated storage as a result of their participation in this program, but numerous examples can be cited that would indicate a trend in this direction. The lack of adequate refrigeration facilities in the South for the care of eggs is a well known fact. Usually they are non-existent except in larger cities. This brings about a very serious problem during the summer months when eggs move relatively slow through commercial channels and show marked evidence of excessive heat. Most of them would be of an inferior grade before reaching the ultimate consumer. Therefore, during warm weather most of the quality eggs sold in southern states are imported from other sections of the country and the demand for locally produced eggs becomes rather weak as a rule. Usually an egg is of Grade "A" quality or better at the time it is laid. However, Grade "A" eggs produced within forty miles of Louisville, Kentucky, for example, usually become Grade "C" eggs or under by the time they reach the consumer if they are given the usual care on the farm and pass through normal market channels. Therefore, quality eggs are shipped into this city from Minnesota and other states at this time for sale to retail trade. This situation can be met to a very large extent through the establishment of refrigerated storages for eggs at local markets. This development should be accompanied by an education program to encourage producers to market their eggs more frequently and give them better care on the farm.

the number of firms purchasing eggs that have acquired refrigerated storage as a result of their participation in this program, but this information can be cited that would indicate a trend in this direction. The lack of adequate refrigeration facilities in the South for the egg is a well known fact. Usually they are nonexistent except in larger cities. This brings about a very serious problem during the summer months when eggs move relatively slow through commercial channels and show marked evidence of excessive heat. Most of them would be of an inferior grade before reaching the ultimate consumer. Therefore, during warm weather most of the quality eggs sold in southern states are imported from other sections of the country and the demand for locally produced eggs becomes rather high. Usually an egg is of Grade "A" quality or better at the time it is laid. However, Grade "A" eggs are found within forty miles of Louisville, Kentucky, for example, usually two or three days or more by the time they reach the consumer if they are sold on the farm and pass through normal market channels. Therefore, quality eggs are shipped into this city from Minnesota and other states at this time for sale to retail trade. This situation can be met to a very large extent through the establishment of refrigerated storage for eggs at local markets. This development should be accompanied by an education program to encourage producers to market their eggs more frequently and give them better care on the farm.

## INFORMATION PROGRAM

Working closely with the Dairy and Poultry Division, the Marketing Reports Division of the Regional Office made use of press and radio and other media to inform the public, both producers and consumers, of the shell egg purchase program on a consumer grade basis.

Included among the news releases prepared on the program were: announcement of the program for release through county agents; an article on the program for release by each state supervisor; a story for release by area supervisors; special stories for release in South Carolina and Mississippi; a release for use by county papers; a release for farm journals including the Progressive Farmer, Southern Agriculturalist and Southern Planter.

As the season progressed and as prices changed, special stories were prepared at intervals giving the scale of prices for each area affected by the change.

Radio coverage included broadcasts by officials of the Regional Office on WSB; scripts provided to each state supervisor; material sent to area supervisors for broadcast locally; announcements included in market news material going to wire services and radio stations; and material to farm program directors and to women's radio commentators throughout the Region.

To supplement the news and radio releases a circular featuring questions and answers on the program was prepared for distribution to county agents, county AAA offices, local dealers and others. Special stamps were used to make the circular applicable to the operation of the program in the various states.

Suggested advertising copy was prepared for use by those local dealers who desire to supplement the informational activities of the various WFA agencies.

Examples of dealers who advertised the program locally follow:

1. Jerry Moore Produce, Lexington, Kentucky, advertised producer prices of consumer grade eggs daily in the Lexington paper. In addition, three times weekly, at an hour many farmers were listening, WLAP broadcast his price announcement.

2. Farmers Federation Cooperative, Asheville, North Carolina used frequent newspaper publicity to keep producers informed of their current prices.

3. C. H. Barron, Seneca, South Carolina, posted announcements at various places in his community showing prices paid producers for eggs of good quality.

Informational campaign on programs of this nature are not difficult to develop in the Regional Office with the cooperation of representatives of the branches and divisions involved. However, as the program enlists more extensive wholehearted cooperation of local people, agencies and organizations, the more widespread will become the dissemination of the information among both producers and consumers.



# INFORMATION PROGRAM

Working closely with the Dairy and Poultry Division, the Farm and Home Division of the Regional Office made use of press and radio and other media to inform the public, both producers and consumers, of the special program and its objectives.

Included among the news releases prepared on the program were: announcements of the program for release through county agents; an article in the newspaper for release by each state supervisor; a story for release by each supervisor; special stories for release in South Carolina and Mississippi; a release for the county papers; a release for farm journals including the Progressive Farmer, Southern Agriculturist and Southern Planter.

As the season progressed and as prices changed, special stories were prepared at intervals giving the state of prices for each area affected by the change.

Radio coverage included broadcasts by officials of the Regional Office on WBB; scripts provided to each state supervisor; material sent to state supervisors for broadcast locally; announcements included in market news material going to wire services and radio stations; and material to farm program directors and to women's radio commentators throughout the Nation.

To complement the news and radio releases a circular featuring questions and answers on the program was prepared for distribution to county agents and county AAA offices, local dealers and others. Special stamps were used to make the circular applicable to the operation of the program in the various states.

Suggested advertising copy was prepared for use by these local dealers and dealers to complement the informational activities of the various state agencies.

Examples of dealers who advertised the program locally follow:

1. Jerry Moore Produce, Lexington, Kentucky, advertised producer prices of consumer grade eggs daily in the Lexington paper. In addition, three times weekly, at an hour many farmers were listening, "LBP" broadcast his price announcement.

2. Farmers Federation Cooperative, Asheville, North Carolina used frequent newspaper publicity to keep producers informed of their current prices.

3. C. H. Burton, General, South Carolina, posted announcements at various places in his community showing prices paid producers for eggs of good quality.

Informational campaign on programs of this nature are not sufficient in detail in the National Office with the cooperation of representatives of the National and Division involved. However, as the program unfolds more extensive information of operation of local people, a study and application of the more widespread will become the dissemination of the information among both producers and consumers.

### Recommendations

Informational objectives for the program for the coming season are:

1. Inform producers of a plan whereby they could sell their eggs on a graded basis.
2. Develop better marketing channels for movement of grades.
3. Bring to the attention of consumers the value of having a source of quality graded eggs.

In striving toward these goals, an effort will be made to plan the campaign well in advance of the peak of the egg marketing season, intensifying the measures thus far used and extending outlets to include all who might be interested or might benefit from the program.

Every effort will be made to enlist the cooperation of agencies operating under the WFA that come into contact with producers and consumers; state organizations, merchants and trade associations and local community groups and organizations.

Recommendations

Instructional objectives for the program for the coming season are:

1. Inform producers of a plan whereby they could sell their crops on a graded basis.

2. Develop better marketing channels for movement of produce.

3. Bring to the attention of consumers the value of having a source of quality graded crops.

In striving toward these goals, an effort will be made to plan the marketing well in advance of the peak of the marketing season, insuring the measures thus far used and extending outlets to insure all who might be interested in their benefit from the program.

Every effort will be made to enlist the cooperation of producers operating under the plan and to assist with producers and consumers; state or national, regional, and trade associations and local community groups and organizations.



SUGGESTED ADVERTISING COPY

8" x 1 Col.

E G G S

(Use Display Type)  
are profitable only

if the prices you get  
for them are profit-  
able.

As a "country buyer",  
operating for the War  
Food Administration  
under a federally-  
approved contract, we  
offer you government-  
supported prices for

GRADED EGGS

Present support prices  
are as follows:

Grade Large Medium

A	_____¢	_____¢
B	_____¢	_____¢
C	_____¢	_____¢

See Me

(Signature)

(Address)

5½" x 2 Cols.

E G G P R O D U C E R S:  
(Use Display Type)

Are you getting the Support Price  
for your eggs?

Your Government, through the War  
Food Administration, will pay you

S U P P O R T E D P R I C E S

for specified Graded Eggs

For current SUPPORTED prices see

BUYER'S SIGNATURE

(Operating Under Contract With the War  
Food Administration and in Co-operation  
with Other Federal and State Agencies)

(Address)

(City)

FOOTNOTES AND REFERENCES

1. 1941

2. 1942

(The following types  
are available only)

At the prices you set

for them are profits

also.

As a country buyer,

concerning the the for

Food Administration

under a Federal

regulated contract, we

will pay whatever

regulated prices for

GRAIN AND OILS

Present market prices

and of Federal

Grade and Quantity

1	2	3
4	5	6
7	8	9

10. 11

(Signature)

(Address)

1. 1941

2. 1942  
(Use Federal Type)

At the prices you set

for your grain

Your Government, through the War

Food Administration will pay you

SUPPLEMENTAL PRICES

for specified grades of

The current UNIFORMED prices are

GRAIN'S COUNCIL

(Contract Price Council 1941 for  
Food Administration and for the  
with other Federal and State agencies)

(Date)

(Signature)

### EGG CASES

One of the most difficult problems encountered by southern egg dealers resulted from a scarcity of egg cases. It was not uncommon for some dealers to place loose eggs in baskets and boxes during April and May. Many were using cases of inferior quality. So serious was this problem in many areas that some dealers discontinued the purchase of shell eggs altogether at times. Reports of such shortages were especially frequent during April and May. Unfortunately we have no adequate way to measure the degree of such a shortage, but it was recognized as a problem and considerable work was done to cope with it.

Through cooperation of schools and institutions many of the cases used in delivering "Section 32" eggs were later returned to commercial trade channels. State Supervisors have reported that they were successful in the majority of instances in accomplishing this objective. South Carolina in particular developed a successful plan for this purpose even before the program began.

The Dairy and Poultry Division of the Regional Office was instrumental in routing 87 cars of cases to egg dealers. This was done strictly on a cooperative basis by enabling the buyer to get in contact with the firm having the egg cases for sale. These 87 cars were divided between Virginia, Tennessee, Kentucky, Georgia, and North Carolina.

Under our discussion of contracts we stated some dealers who signed contracts did not sell surplus eggs to the OD due to the scarcity of egg cases. For the most part these were small dealers who in previous years exchanged cases with the firm to whom they sold eggs. When they sold ten cases of eggs, for example, they received ten empty cases. This year the shortage of cases was reported to be more acute in Kentucky and Tennessee than in other southern states. Some large dealers in these states were also finding it difficult to secure cases. Therefore, the only way they would release empty cases was to exchange them with dealers from whom they purchased eggs. When such dealers were not participating in the price support program, nor paying a price that would reflect support levels to producers, the resulting effect on small local egg markets may readily be understood. In these places the supply of egg cases tended to hold a dealer to previously established outlets even though such outlets were not paying the highest price for which he could have sold his eggs.

### Recommendations

A survey of the case situation to anticipate future needs and storage areas should be made before the program begins next year. Arrangements should be made with manufacturers of cases to supply such needs in so far as the quantity of critical material available will permit.

If cases for shell eggs become a problem next year, we also recommend that the Dairy and Poultry Field Office of the Southern Region again endeavor to bring together the source of supply with the source of demand.

A uniform plan for the Region should be developed for the return of cases sent to schools and institutions to commercial channels.



PAGE 2, 25

One of the most difficult problems encountered by contractors was the handling of the large quantities of surplus cases. It was not unusual for some dealers to place large quantities in trucks and boxes during the night and day. Many were using cases of inferior quality. In various parts of the country it was found that some dealers discontinued the purchase of shell eggs at times. Reports of such situations were especially frequent during the night and day. Unfortunately we have no adequate way to measure the volume of such a situation, but it was recognized as a problem and considerable work was done to cope with it.

Through cooperation of schools and institutions many of the cases used in the "Section 32" cases were later returned to commercial trade channels. State inspectors have reported that they were successful in the majority of instances in accomplishing this objective. South Carolina is particularly developed a successful plan for this purpose even before the program began.

The Dairy and Poultry Division of the Regional Office was instrumental in making the cases of eggs to egg dealers. This was done strictly on a cooperative basis by enabling the dealer to get in contact with the local dealer. These cases were divided between Virginia, Tennessee, Kentucky, Georgia, and North Carolina.

Under the discussion of contracts we stated that dealers who signed contracts did not sell surplus eggs to the society of eggs. For the most part these were small dealers who in previous years had worked cases with the firm to whom they sold eggs. When they sold their cases of eggs, for example, they received ten empty cases. This year the situation of cases was reported to be more active in Kentucky and Tennessee than in other southern states. Some large dealers in these states were also finding it difficult to secure cases. There-fore, the only way they would release empty cases was to exchange them with dealers from whom they purchased eggs. When such dealers were not willing to do this in the price support program, not paying a price they would reflect support levels to producers, the resulting effect on small local egg markets may be seriously handicapped. In these places the quantity of egg cases found to hold a dealer to previously established outlets were shown such outlets were not paying the highest price for which he could have sold his eggs.

Recommendations

A survey of the egg situation in various parts of the country and abroad was made before the program began last year. It was found that the quantity of official material available was small.

It is suggested that the Regional Office be given a problem last year, so that the Regional Office of the Department of Agriculture could be better equipped to handle the situation of the egg market.

A further plan for the Region should be developed for the future in order to handle the situation of the egg market.

## GRADING AND INSPECTION

Since eggs purchased under the Southern Program were required to be inspected by licensed Federal inspectors, the operation of the program was largely dependent on the availability of such inspectors.

At the time of the initiation of the program, the availability of inspectors was not given as much consideration as should have been given. Quite a number of contracts were placed in localities where no inspection service was available at reasonable cost.

In order to provide trained graders, grading schools were held at the following points:

<u>Place</u>	<u>Date</u>	<u>Attendance</u>
Jackson, Miss.	Dec. 1-2-3	31
Tallahassee, Fla.	Dec. 6-7	7
Tampa, Fla.	Dec. 8-9	13
Athens, Ga.	Jan. 10-11	6
Eastman, Ga.	Jan. 17-19	9
Tifton, Ga.	Jan. 20-22	10
Orangeburg, S. C.	Feb. 20-21	19
Laurens, S. C.	Feb. 23-24	15
Florence, S. C.	Feb. 24-25	15
Gainesville, Ga.	Feb. 28-29	14
Athens, Ga.	Mar. 20-21	23
Jackson, Tennessee	Mar. 23-24	9

Some of these schools were fairly well attended, and excellent results were attained. In some cases attendance was poor and results were not satisfactory. This was due to (1) lack of interest on the part of dealers in grading eggs, and (2) shortage of personnel.

Early in the season, many dealers did not foresee the tremendous production of eggs and were apathetic as to any preparation for handling eggs in the flush season. Other dealers, particularly in Tennessee and parts of Kentucky, were opposed to graded programs, as they did not want to disturb their usual buying methods.

Many dealers complained that they could not secure help that could be depended on as graders. Considerable difficulty was experienced due to turnover of personnel during the buying season.

Due to unforeseen conditions, the training of graders and inspectors was not started until December. Eggs were selling at ceilings in December and dealers did not anticipate any need for a support program. Even as late as the last week in January, many dealers thought they would be able to handle eggs in the normal channels and were not inclined to exert any effort to provide graders to comply with requirements of the purchase contracts. Later in the season when the pressure from heavy production became strong, these dealers were handicapped in not having trained graders.





The map on page 59 shows the location of licensed inspectors in each state. It is apparent that some areas are handicapped in that there is no licensed inspector stationed near enough to make Federal inspection practical.

It was found this year, that when inspectors had to travel more than seventy-five miles to make inspections, the cost of inspection service became burdensome.

#### Recommendations

We recommend that thought be given to location of licensed inspectors in order that inspection service be made available at reasonable cost wherever possible. We also feel that efforts should be made to arrange for more bonded or resident inspectors for those firms with sufficient volume to justify same.

An appraisal of the program this year from the standpoint of inspection, indicates that both Federal and Federal-State inspectors did a good job in view of the limited personnel. There were a few complaints as to delays in obtaining inspection, particularly from points far from head-quarter locations of inspectors, but as a whole, inspections were fairly prompt. The unexpected heavy load of inspection requests was a difficult problem to handle.

We recommend holding grading schools in November and December this year, if sufficient interest can be created. These schools should be held in areas where production is heaviest, and with a view of training graders to be available during the heavy producing season.

We recommend careful consideration of the availability of licensed inspectors in placing contracts for handling consumer grade eggs. We also recommend a more careful explanation of grading requirements to contractors for the purpose of smoother operation of purchase programs, and to encourage commercial handling of graded eggs.

1944

The map on page 42 shows the location of the proposed project. It is situated in the north-western part of the country, near the border with the United States. The project is a large-scale irrigation scheme, designed to provide water to the arid lands of the region. It is a major engineering project, involving the construction of a long canal and several smaller canals and ditches. The project is expected to have a significant impact on the local economy and the environment.

The project is a large-scale irrigation scheme, designed to provide water to the arid lands of the region. It is a major engineering project, involving the construction of a long canal and several smaller canals and ditches. The project is expected to have a significant impact on the local economy and the environment.

### Recommendations

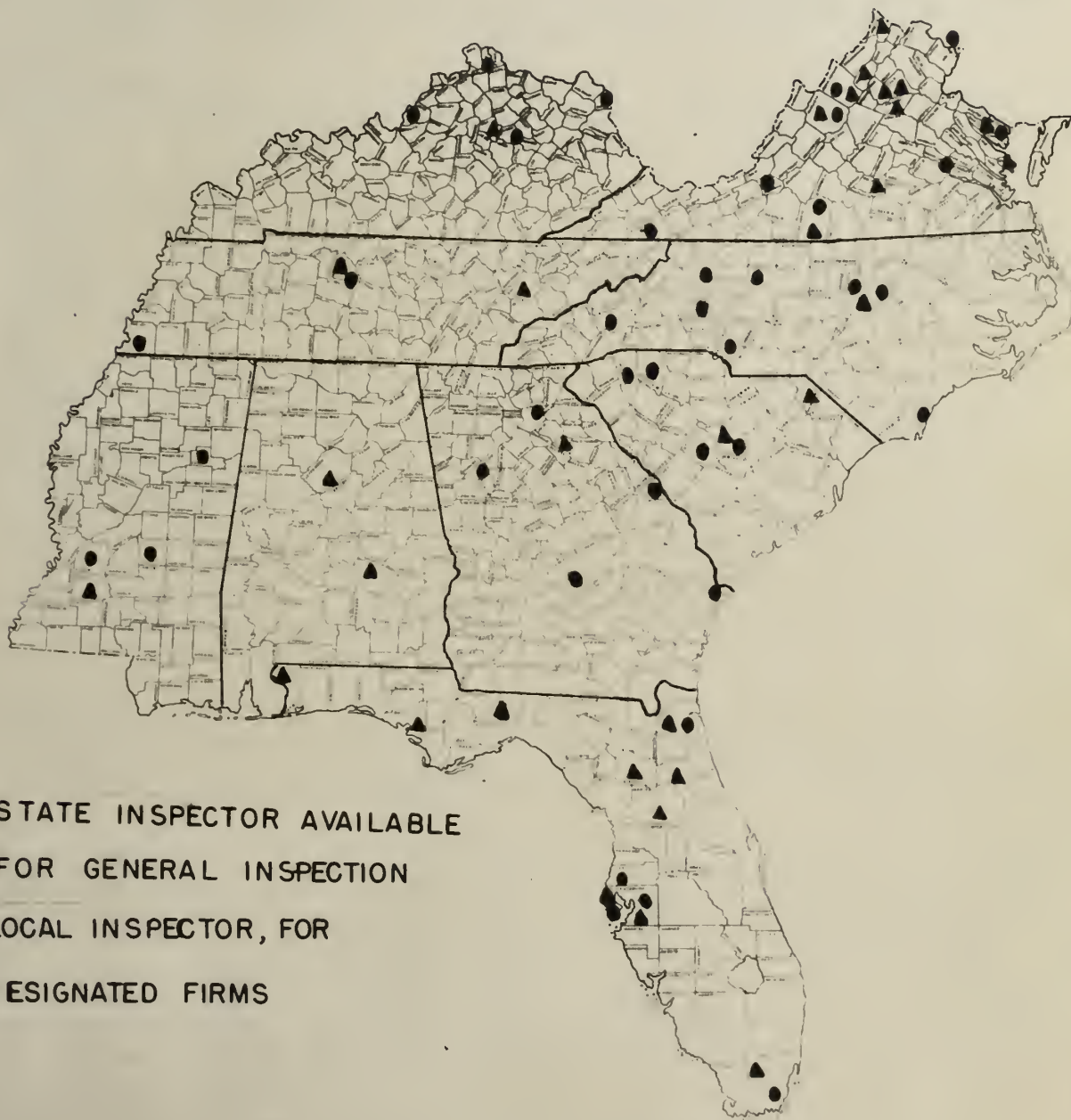
It is recommended that the project be approved for construction. The project is a major engineering project, involving the construction of a long canal and several smaller canals and ditches. The project is expected to have a significant impact on the local economy and the environment.

The project is a large-scale irrigation scheme, designed to provide water to the arid lands of the region. It is a major engineering project, involving the construction of a long canal and several smaller canals and ditches. The project is expected to have a significant impact on the local economy and the environment.

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# LOCATION OF FEDERAL STATE INSPECTORS



- ▲ STATE INSPECTOR AVAILABLE  
FOR GENERAL INSPECTION
- LOCAL INSPECTOR, FOR  
DESIGNATED FIRMS

WAR FOOD ADMINISTRATION  
OFFICE OF DISTRIBUTION  
DAIRY & POULTRY FIELD OFFICE  
SOUTHERN REGION





## CURRENT RECEIPT PROGRAM

The initiation of the Current Receipt Purchase Program in Tennessee and Kentucky introduced a new set of problems in the price support picture.

Due to lack of available inspection service in Kentucky and unwillingness of dealers to cooperate in the graded program, large parts of the state could not be affected by the graded contracts.

In Tennessee the regular produce trade was antagonistic to any program to support the price of eggs. When the current receipt program was announced, the first problem was to get dealers who would cooperate.

The western half of Tennessee and a considerable portion of western Kentucky had no produce dealer who would cooperate. The larger egg handlers refused to furnish cases to small dealers who were willing to pay the support prices. Cases not being available from regular channels, these small dealers were barred from participation in a support program.

This problem was overcome by getting a chain grocery operator, U-Tote-Em Grocery Company at McKenzie, Tennessee, to start buying eggs in their thirty-nine retail stores in Tennessee and Kentucky. This concern had never handled eggs except for their own retail use. We arranged for a supply of cases for them and gave them the necessary help in getting started. Their cooperation immediately raised the price of eggs in the thirty-nine points to the support price of 26 cents. Through work with the Southern Chain Store Council, Kroger Grocery and Baking Company and Atlantic and Pacific Tea Company agreed to buy eggs in all of their retail stores at support levels. This constituted some 200 buying points in Tennessee and Kentucky.

As a result of the efforts of the chain grocery operators, the produce dealers were forced to cooperate, resulting in a general level of prices at support in most of the marketing towns in Tennessee and Kentucky.

In Florida, Georgia, and South Carolina the graded program together with local demand for eggs kept prices at support levels and it was not necessary to use the current receipt deal. In Virginia, North Carolina, Alabama, and Mississippi certain points developed weaknesses and current receipt dealers were appointed as needed. None of these dealers functioned in Mississippi, and only one in Alabama. Purchases in North Carolina were for only a short period, and in Virginia, purchases were confined to a few areas where the graded program could not operate for one reason or another, principally due to labor shortages for grading during the heaviest producing season.

Data as to purchases under the current receipt program appears in the table given below. This information is shown graphically on pages 62 through 68.

TABLE NO. 9 Purchases of Current Receipt Eggs by States

State	Cars	Cases
Alabama	10	6,000
Kentucky	126	75,600
Mississippi	5	3,000

# CURRENT RECEIPT PROGRAM

The initiation of the Current Receipt Program in Tennessee and Kentucky introduced a new set of problems in the price support program. Due to lack of available transportation facilities, it was impossible for dealers to cooperate in the initial program, large parts of the stock could not be collected by the credit contracts.

In Tennessee the regular produce trade was unresponsive to any attempt to support the price of eggs. When the current receipt program was announced, the first problem was to get dealers who could cooperate.

The western half of Tennessee and considerable portion of West Virginia had no produce dealer who would cooperate. The former egg producers refused to furnish eggs to local dealers who were willing to pay the current prices. Eggs not being available from regular channels, these small dealers were forced to participate in a support program.

This problem was overcome by getting a chain grocery operator, J. L. Hays, Grocery Company at Hickory, Tennessee, to start a chain of thirty-nine retail stores in Tennessee and Kentucky. This company had never handled eggs and did not have their own retail store. It arranged for a supply of eggs for them and gave them the necessary help in getting started. Their immediate interest in the price of eggs is the twenty-nine stores at the support price of 28 cents. The chain will include the Southern Christian Store Company, Rogers Grocery and Food Company and Atlantic and Pacific Ice Company spread in all of these areas. This will serve as support dealers. This collection of about 300 buying points in Tennessee and Kentucky.

As a result of the efforts of the chain grocery operators, the problem of dealers who refused to cooperate, resulting in a general loss of price support in most of the mountain towns in Tennessee and Kentucky.

In Florida, Georgia, and South Carolina the credit program together with local demand for eggs kept prices at support levels and it was not necessary to use the current receipt plan. In Virginia, South Carolina, and West Virginia, the credit program was not successful and current prices were maintained at a level. Some of these dealers were located in West Virginia, and this one in Virginia. Dealers in West Virginia were the only short period, and in Virginia, producers were notified for a few years when the credit program could not operate for one reason or another, especially for the last several years as the credit program was becoming producing enough.

Data on purchases under the current receipt program appears in the table given below. This information is shown graphically on map of Kentucky 63.

TABLE NO. 2  
Purchases of Current Receipt Eggs by States

State	Cards	Quarts
Alabama	10	6,000
Kentucky	126	75,800
Mississippi	5	3,000



North Carolina	21	12,600
Tennessee	132	79,200
Virginia	28	16,800
Total	322	193,200

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These purchases represent heavy losses to the Government due to several factors:

1. There was no protection as to quality. As a whole we believe dealers were conscientious in offering us true current receipts, but this program started late in the season when quality of southern eggs normally runs bad.

2. Our Shipping and Storage Branch was not able to keep eggs moving. It was necessary to get instructions for movement of every car from Washington. This resulted in eggs sitting in hot country warehouses for as long as two weeks. The Atlanta representatives of Shipping and Storage did a good job in facilitating movements but were handicapped in getting instructions from Washington.

Recommendations:

Unless absolutely necessary to carry out provisions of the Steagall amendment, we think it unwise to purchase eggs on current receipt basis. Such purchases tend to destroy all of the efforts of every agency toward improving quality of eggs. The Government necessarily has to take heavy losses from inferior eggs and has no safeguards as to quality of eggs purchased.

There is a tendency for dealers to encourage producers to unload inferior eggs to be sold to the Government, and there is a tendency for dealers to "top out" the best eggs for their trade and sell the Government the culls. We know of one dealer who bought eggs from selected producers at prices above support levels and bought current receipts from poor producers to offer to the Government.

If it is necessary to again buy on current receipt basis, we recommend that means be provided for an inspection of each dealer's operation, and wherever possible of each car, to see that eggs are true current receipts, that they are properly packed and handled according to trade practices. Thought should also be given to prompt movement of eggs after purchase, either to storage or processors. Also provisions should be included in contract with dealers setting a time limit on offers to prevent dealers holding eggs several weeks before offering.

12,000	21	North Carolina
79,200	123	Tennessee
16,800	25	Virginia
108,000	369	Total

These purchases represent heavy losses to the Government due to several factors:

1. There was no protection as to quality. As a whole we believe that there were considerable differences in quality of the goods, but this was not stated in the report which was made of the goods as normally found.

2. Our Shipping and Storage Branch was not able to keep the goods in the necessary condition for export. The goods were not kept in the necessary condition for export. The goods were not kept in the necessary condition for export. The goods were not kept in the necessary condition for export.

Recommendations:

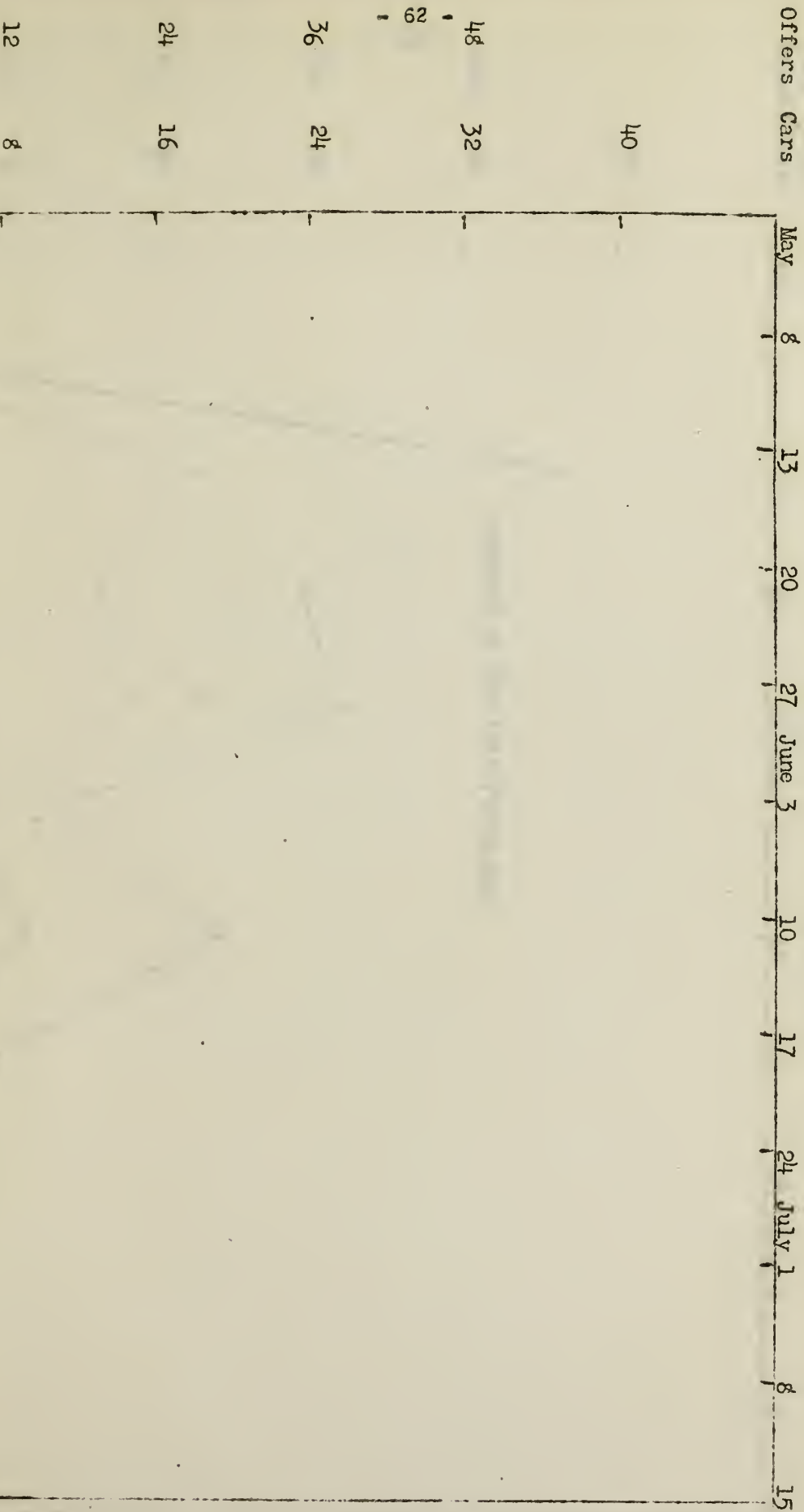
Unless absolutely necessary to carry out the provisions of the Government, we think it would be better to purchase goods in the open market. Such purchases tend to keep the quality of the goods at a level which is satisfactory to the Government. The Government should not be in a position to purchase goods of inferior quality and at the same time be in a position to sell goods of superior quality.

There is a tendency for dealers to encourage producers to produce inferior goods. This is a tendency for dealers to encourage producers to produce inferior goods. This is a tendency for dealers to encourage producers to produce inferior goods. This is a tendency for dealers to encourage producers to produce inferior goods.

If it is necessary to carry out the provisions of the Government, we recommend that the Government should be in a position to purchase goods of superior quality and at the same time be in a position to sell goods of superior quality. The Government should not be in a position to purchase goods of inferior quality and at the same time be in a position to sell goods of superior quality.

SOUTHERN REGION - CURRENT RECEIPT SHELL EGG PROGRAM - ALABAMA  
 Number of Offers, and Cars of Eggs Purchased  
 Weekly, May 8 to July 15, 1944

No. \*No.  
 Offers Cars



--Number of Car Lots Purchased

--Number of Offers Received



Number of Distinct Species

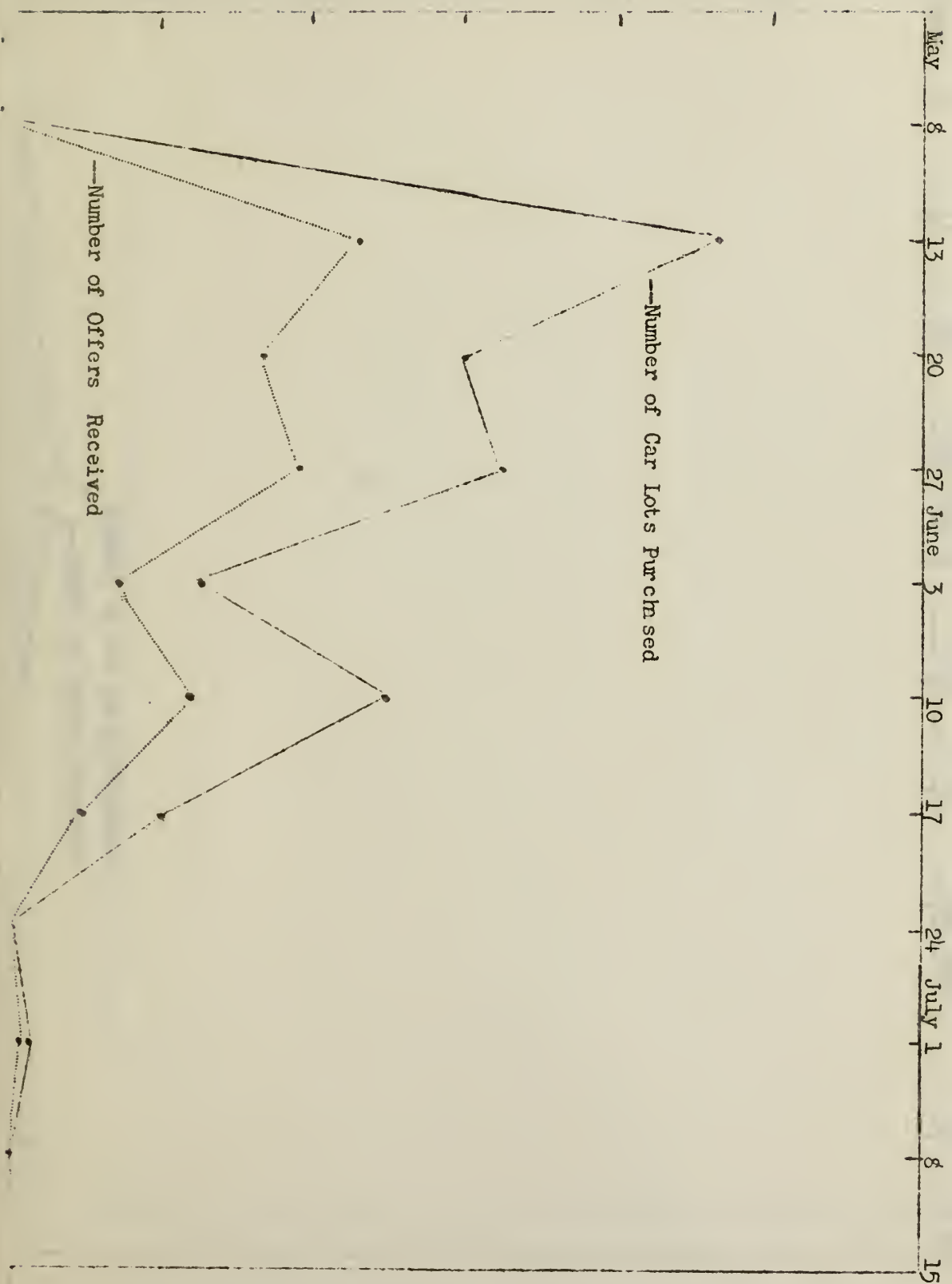


Time (hours)

Number of Distinct Species

SOUTHERN REGION - CURRENT RECEIPT SHELL EGG PROGRAM - KENTUCKY  
 Number of Offers, and Cars of Eggs Purchased  
 Weekly, May 8 to July 15, 1944

No. \*No.  
 Offers Cars



October 1914  
100° 40' N

100° 40' N 100° 40' E 100° 40' S 100° 40' W 100° 40' NE 100° 40' SE 100° 40' SW 100° 40' NW

Approx. 1000 ft to 1000 ft high  
Approx. 1000 ft to 1000 ft high  
Approx. 1000 ft to 1000 ft high  
Approx. 1000 ft to 1000 ft high

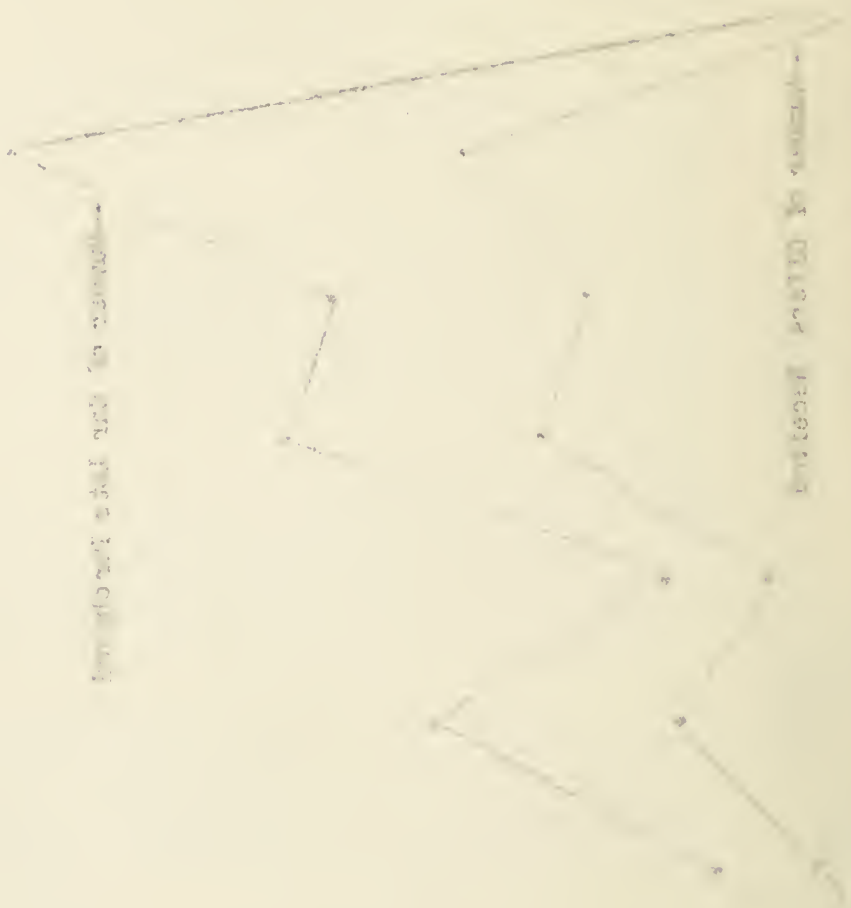
100

100

100

100

100





SOUTHERN REGION - CURRENT RECEIPT SHELL EGG PROGRAM - MISSISSIPPI  
 Number of Offers, and Cars of Eggs Purchased  
 Weekly, May 8 to July 15, 1944

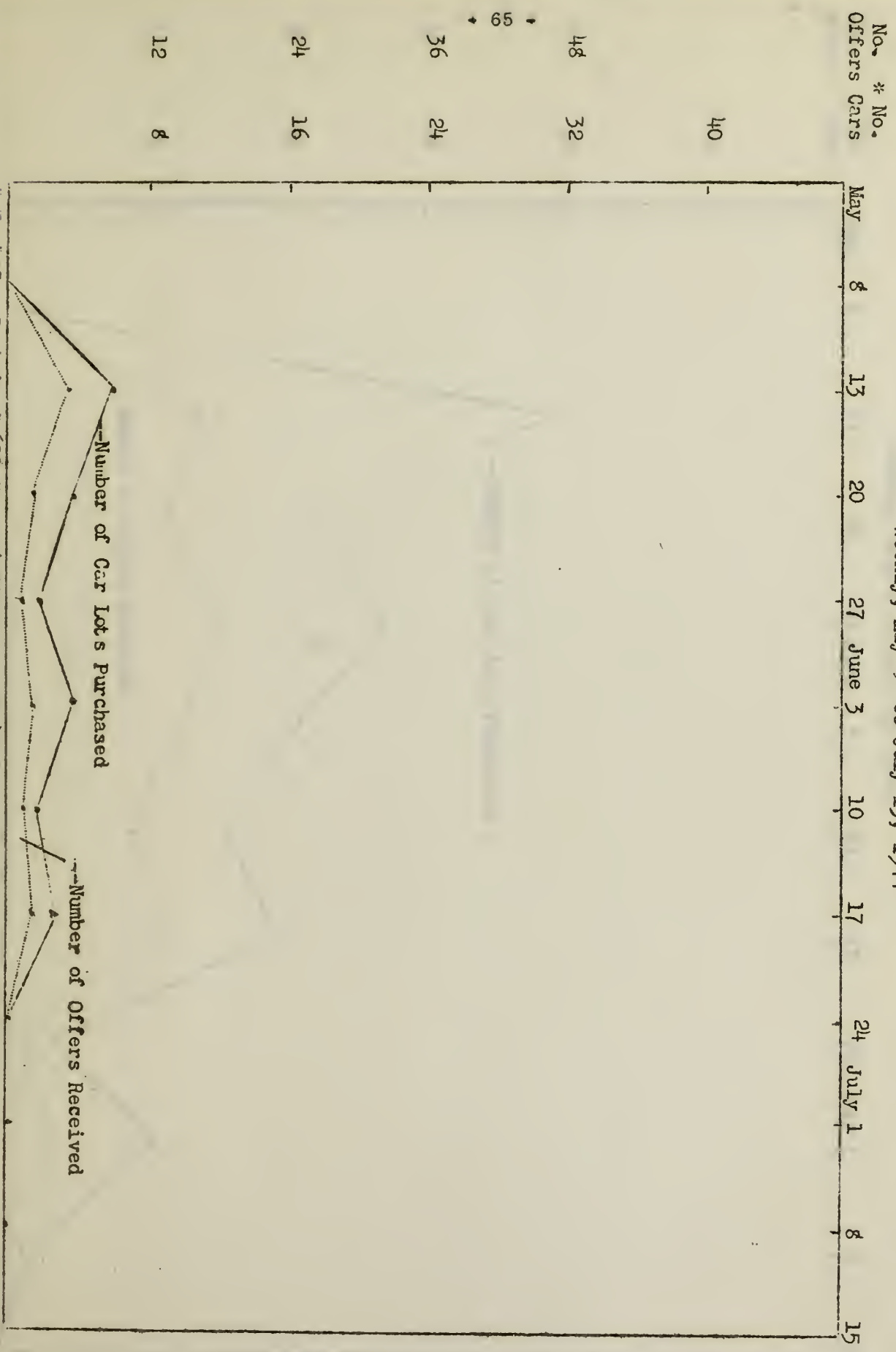
No. \* No.  
 Offers Cars

	May 8	13	20	27	June 3	10	17	24	July 1	8	15
40											
32											
48											
64											
36											
24											
16											
12											
8											

-Number of Car Lots Purchased  
 -Number of Offers Received



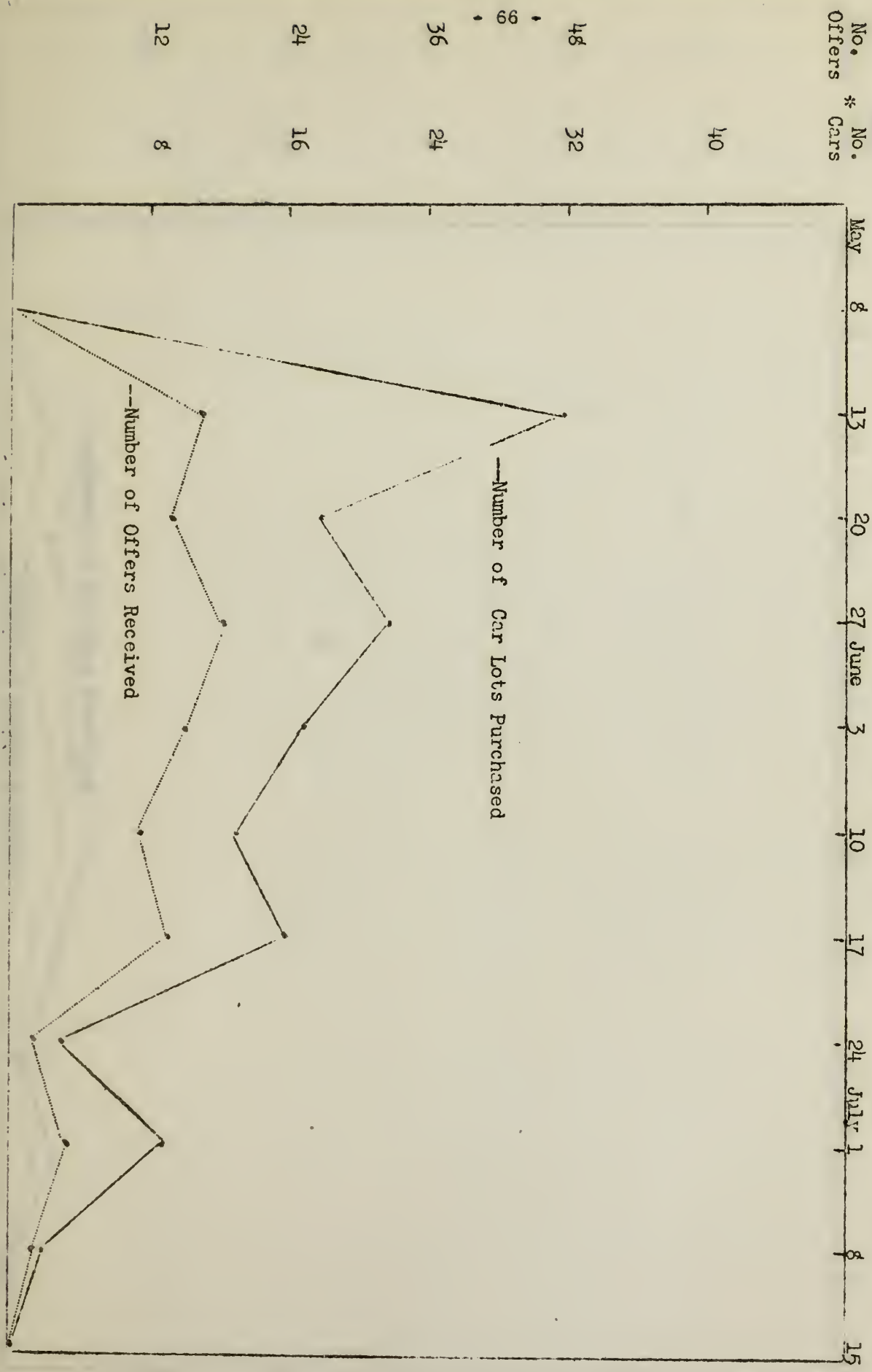
SOUTHERN REGION - CURRENT RECEIPT SHELL EGG PROGRAM - NORTH CAROLINA  
 Number of Offers, and Cars of Eggs Purchased  
 Weekly, May 8 to July 15, 1944







SOUTHERN REGION - CURRENT RECEIPT SHELL EGG PROGRAM - TENNESSEE  
 Number of Offers, and Cars of Eggs Purchased  
 Weekly, May 8 to July 15, 1944



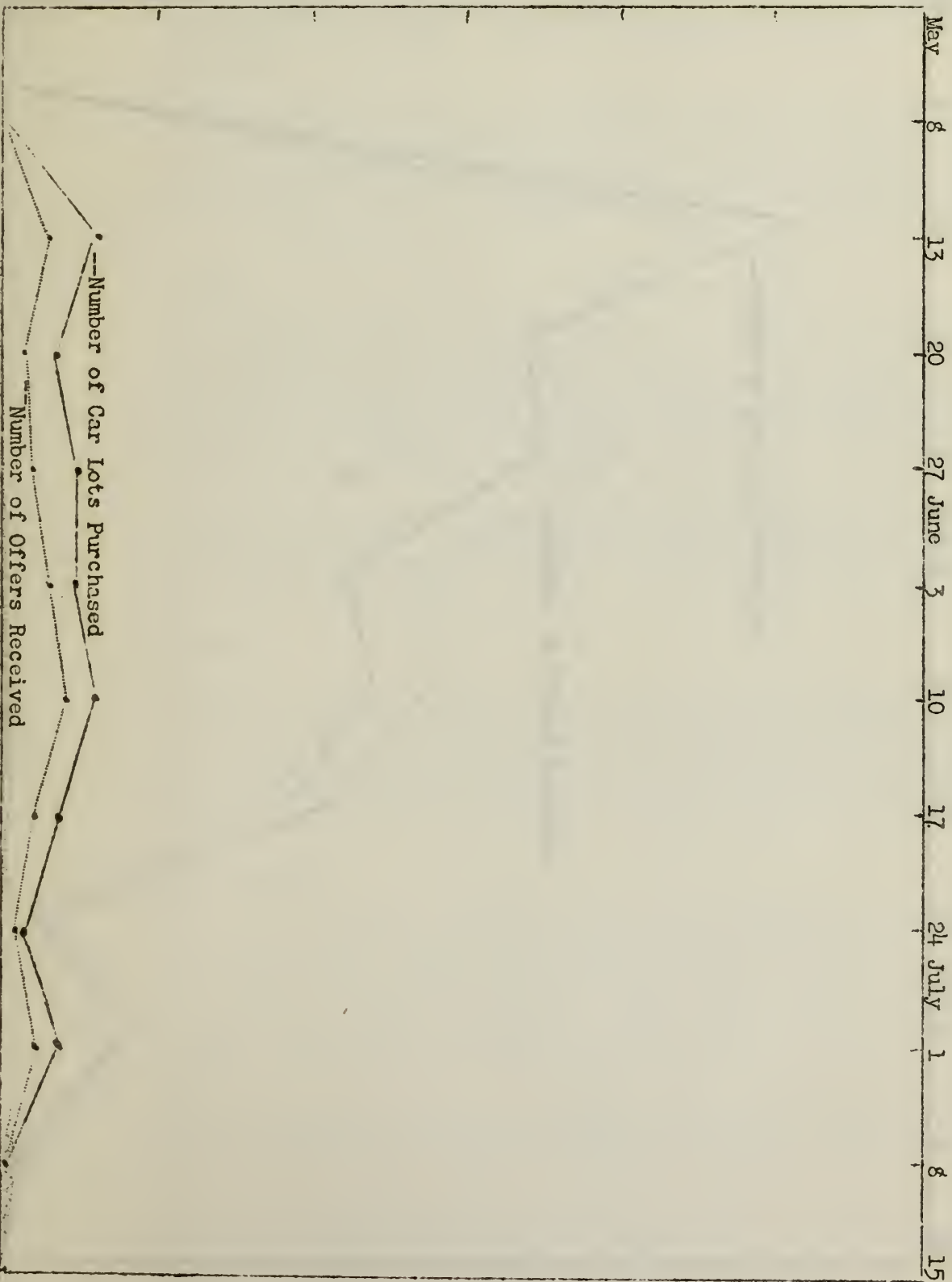




SOUTHERN REGION - CURRENT RECEIPT SHELL EGG PROGRAM - VIRGINIA  
 Number of Offers, and Cars of Eggs Purchased  
 Weekly, May 8 to July 15, 1944

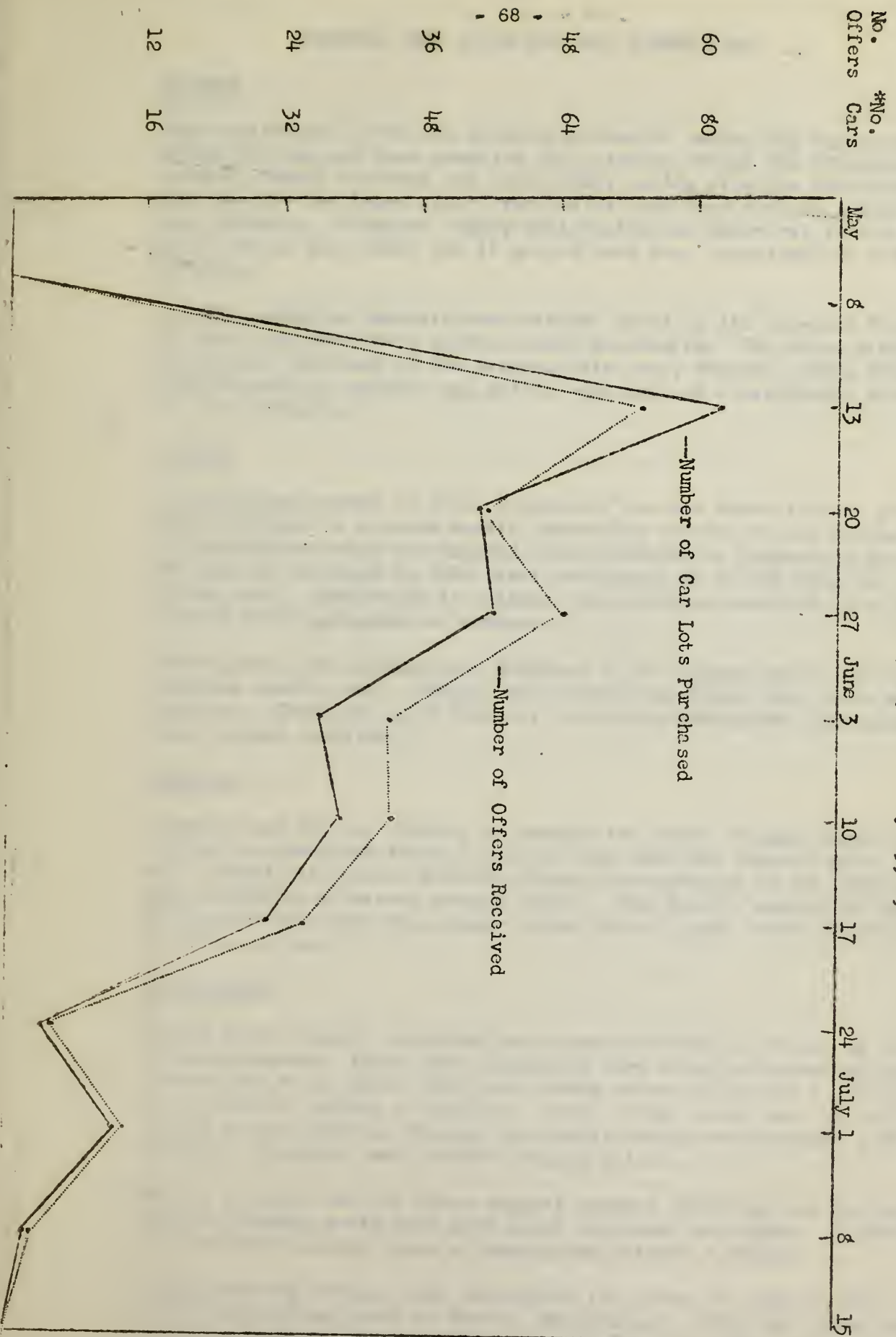
No. Offers      \*No. Cars

40	
32	48
24	36
16	24
8	12



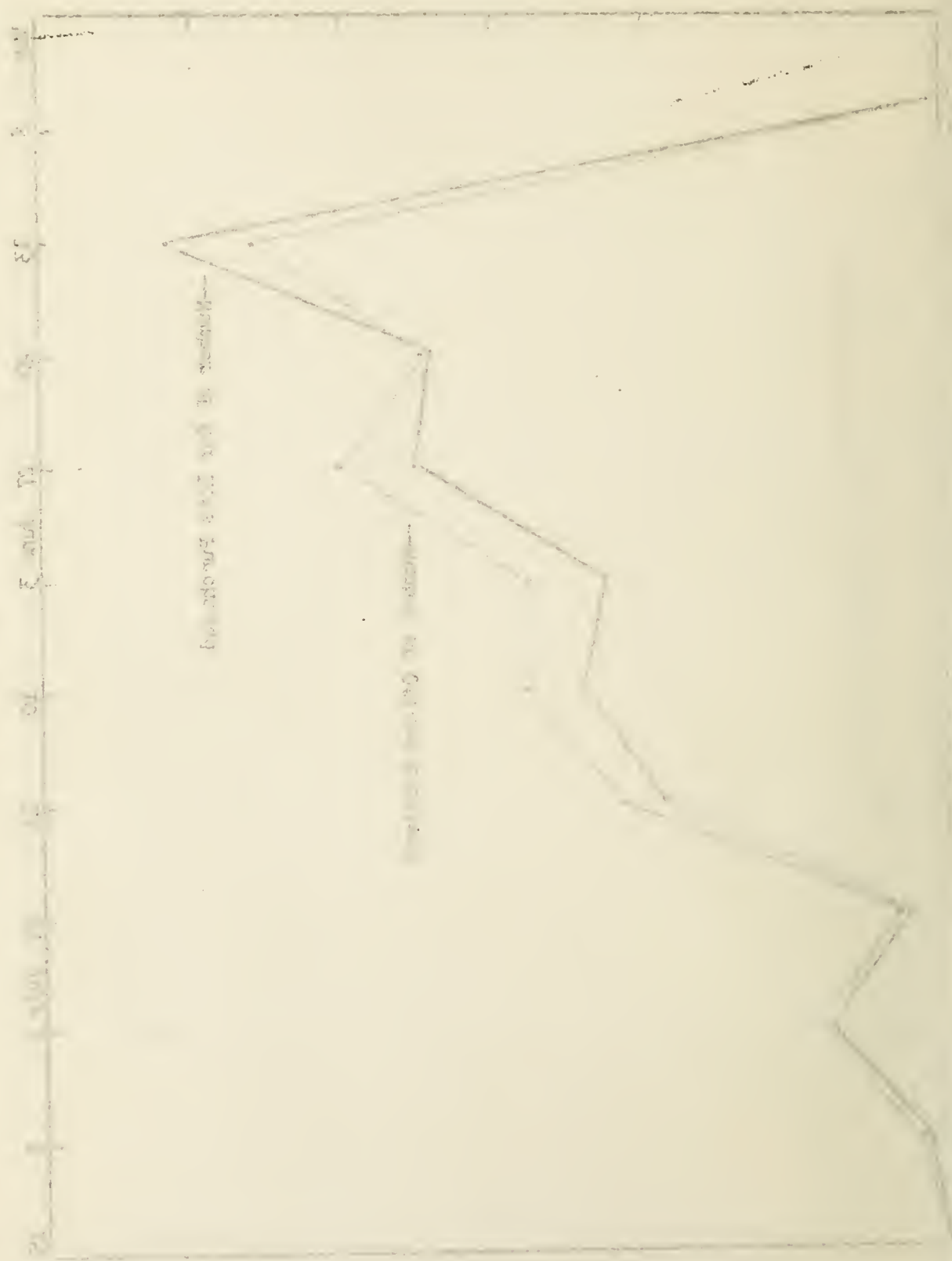


SOUTHERN REGION - CURRENT RECEIPT SHELL EGG PROGRAM  
 Number of Offers, and Cars of Eggs Purchased  
 Weekly, May 8 to July 15, 1944





10 100  
 20 200  
 30 300  
 40 400  
 50 500  
 60 600  
 70 700  
 80 800  
 90 900  
 100 1000



WORKING FOR THE PEOPLE OF THE  
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COMMENTS FROM STATE AND AREA SUPERVISORS

Alabama

"One contractor solved the grading problem by making his egg purchases during the day and then pressing into service during the afternoon and evening, school teachers and their older pupils from the high schools. This measure was taken after every effort had been made to locate full time graders. It proved highly satisfactory as there was little or no turn over in this labor and it proved much more conscientious and dependable.

"Better marketing channels were brought about by the Ten-Case Program in every instance where graders could be secured. The labor problem was a great drawback to the program this year, however, where this problem could be solved, egg prices were kept at a profitable price for the producers."

Florida

"A sufficient number of state inspectors who are Federal-State graders were furnished to provide weekly inspection service to all contractors. No difficulties were encountered with reference to inspection services. The bulk of the eggs in this state were moved at a time when the weather was cool. Some delay in shipping instructions resulted in a drop in quality before shipment to storage.

"Undergrades and dirties were disposed of at reduced prices to bakeries, sandwich stands, etc. Checks, where unfit for human food, were used for hog feed. There was no difficulty in selling undergrade eggs since there were limited supplies."

Kentucky

"Contractors who are willing to support the price of eggs should be obligated in clear-cut terms to pay no less than the support price for eggs on a graded basis and a definite figure incorporated in the contract for eggs bought on a current receipt basis. The dealers should be obligated to pay not less than the support price for all eggs bought, whether sold to W.F.A. or not."

Mississippi

"Weekly price reports submitted were representative of prices in the major producing areas. These areas logically have a better marketing organization than those areas with just enough volume to create a problem and not enough to justify a solution. These latter areas were not well represented in the sample. Perhaps the sample should be broadened a bit to include a few more small country buying points.

"Had it not been for the price support program including the 10-case deal, prices probably would have gone below ten cents per dozen. In fact there would have been many cases of eggs going without a market.

"The following factors have influenced the prices of eggs in this area:  
(a) An egg drying plant at Morton, Mississippi. This one factor has perhaps done more to keep up prices of eggs than any other one factor. The

Alameda

The supervisor advised that the existing problem in Alameda was the fact that during the day and the evening into service during the afternoon and evening, school teachers and their aides from the high schools. The measure was taken after every effort had been made to locate this type of person. It proved highly satisfactory as there was little or no turn over in this labor and it passed with some minor variations and the problem.

Further information regarding the problem was obtained from the San Jose program in many instances where graduates could be secured. The labor market was a great strength in the program this year, however, where this problem could be solved, egg prices were kept at a profitable price for the producer.

Alameda

An excellent number of eggs in Alameda who are Federal-Local graduates were furnished to provide weekly completed returns to all contributors. In addition, they were encouraged to participate in inspection services. The bulk of the eggs in this state were sold at a time when the market was low. There being no changing that resulted in a drop in quality before shipment to storage.

Further, the eggs were disposed of at reduced prices to buyers. Another source of eggs, which were used for human food, were sold for less. There was no difficulty in selling surplus eggs since they were in excess supply.

Alameda

Cooperating with the market to secure the price of eggs should be one of the main objectives in the program. In the past, the support price for eggs in Alameda was a definite factor in the program. The market price was not as high as it should be. The market price was not as high as it should be. The market price was not as high as it should be.

Alameda

There is a need for the price support program involving the Federal Government. There is a need for the price support program involving the Federal Government. There is a need for the price support program involving the Federal Government. There is a need for the price support program involving the Federal Government.

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large volume of eggs dried at this plant has in my opinion played a big part in assisting the producers to secure support prices. This was due largely to the fact that cold storage was not available for the eggs which went into the egg drying plant. (b) Local purchases for the civilian population in the City of Jackson. (c) Movement of eggs to Government camps located in or near this area. (d) Price support program purchases which has influenced all other dealers to hold up prices very near on a level with support prices.

"Some of the contractors ran articles in the local papers plus some paid advertisements informing the people on the egg program and the support prices. Copies of news releases furnished by the State OD Office were supplied to all newspapers in this area at two different times. County agents in Panola and Tate Counties made talks over Memphis stations and Mid-South Farm Hour about eggs being handled and the prices being paid to farmers. Most of this publicity was during the months of March and April in local newspapers, mostly county newspapers."

#### South Carolina

"It is felt that decided progress has been made in the development of a better marketing system. The first step has been taken, namely, the establishment of grading procedure. During the current egg program approximately ten million South Carolina eggs have been graded and have passed Federal inspection. Somewhere between 150 and 200 people in the state are now qualified to grade eggs to pass Federal inspection. There are between 55 and 60 people in the state, Home Demonstration Agents and others, who are qualified to train graders and there are approximately ten fully licensed Federal graders and nineteen Home Demonstration agents who have passed the examination and qualified as Federal inspectors although they have not yet been issued licenses.

"No particular difficulty in securing egg cases was experienced in this state. Normal sources were used and in addition 17 cars of eggs for the School Lunch Program were shipped into the state. In order to insure that these egg cases would get back into circulation arrangements were made with the State Department of Education whereby each County School Lunch Supervisor was charged with the price of the egg cases shipped into her County and was required to return these into regular channels of trade and turn over the money secured from their sale to the State Department of Education Salvage Fund. It is known that this resulted in a very high percentage of the cases being returned to the trade. It is felt that this procedure was very largely responsible for maintaining a sufficient supply of egg crates in the state.

"The storage facilities in South Carolina are limited and there has been in the past little use made of them by local commercial interests. This year Swift and Company in Spartanburg have stored a considerable quantity of eggs. Since schools closed, approximately 4000 cases of eggs have been placed in storage or have been broken or frozen for the School Lunch Program. These eggs were purchased under the price support program."

#### Virginia

"As an emergency measure, the Ten-Case Program greatly benefited several sections of the state. Under normal conditions hucksters from Norfolk





collect eggs from the farms in Mathews and Gloucester Counties. This spring they discontinued their visits. The Southern States Cooperative a short time thereafter established cooperative receivers in this area and furnished a market for these eggs. By reason of the 10-Case outlet a number of egg contractors, particularly those holding centralized shipper contracts, were able to handle a much larger volume than their normal business would warrant. This was especially true of the Hammond Produce Company at Glade Spring, Producers Cooperative Exchange, Richmond, and S. A. D. Parker, Norfolk.

"Undergrades, checks and dirties were marketed in different channels in different sections of the state. In the valley they were mostly sold to the Bridgewater breaking plant and bakeries. Some in this section were also frozen by the Mutual Cold Storage Plant at Timberville, although the quantity they handled was small. In the Roanoke area, bakeries and hotels were the principal consumers. In the southwest Virginia area the breaking plant operated by Coble in North Carolina received most of these grades. Greater difficulty was reported in Richmond than in any other part of the State.

"The State has twelve full licensed graders, eight of whom are stationed in individual plants throughout the State. The Federal-State Supervisor, Mr. Shomo, is able to devote only a portion of his time to this work, thus cutting the number of inspectors to three who actually perform the field work of inspection and issuance of grading certificates. These three are located -- two in Washington and one in Richmond. This does not give a good distribution throughout the State and it means a considerable cost for an inspection in the southwest corner of the state. It has been their practice to send the Washington inspector, Mr. Rogers, into the southwest counties whenever an inspection has been requested. This causes a delay of at least one and sometimes two days at an extremely high cost for small quantities of eggs.

"Careful consideration should be given to the inauguration of the program next year where there is reported scarcity of labor to grade eggs. This program should be started not later than December 1, 1944, in order to allow a training period for graders in those places not already staffed.

"Newspaper publicity was the principal type of publicity given by this office on the Ten-Case Program. On an average, we had at least one article per week in the local papers during the principal season of purchases. The local papers were very cooperative, especially in Richmond, and sent their staff photographer several times to picture large shipments of eggs which were bought under the Ten-Case Program.

"Should this program be continued next year, we look forward to greatly increased publicity by the Extension Service. Such publicity should be spread especially thick in the areas of heavy spring production. We will cooperate with the Extension Service in perfecting plans for individual producers to ship by express to some of the larger markets.

"We recommend in line with prevailing commercial practices, the contract should call for local delivery (3 miles) at no additional cost to the Government. We also recommend that there be a differential of \$.01 per dozen increase in price for new cases and packing material. We believe





the contract should specify at least a 10" covering for the top of each case.

"As far as the program is concerned in Virginia, we feel that the greatest improvement that could be made would be to decentralize the issuance of shipping instructions so that these instructions could be sent to the contractor by return wire from the Regional Office."

the contact should apply at least a 10' covering for the top of each case.

"As for the program is concerned in Virginia, we feel that the greatest improvement that could be made would be to standardize the language of shipping instructions so that they are identical could be sent to the contractor by return wire from the National Office."





